

# AGENDA

## Utah Counties Indemnity Pool Board of Directors Meeting

Thursday, December 20, 2018, 1:30 p.m.

Twigs Fashion Place, 6223 S State, Murray, UT

|      |   |             |
|------|---|-------------|
| 1:30 | Open Meeting, Pledge of Allegiance                | Bruce Adams |
|      | Recess for Public Hearing on the UCIP 2019 Budget | Bruce Adams |
|      | Reconvene   |             |

| ITEM | ACTION  |                            |
|------|---|----------------------------|
| 1.   | Review/Approve 2019 Budget  | Karla Johnson              |
| 2.   | Review/Excuse Board Members Absent  | Bruce Adams                |
| 3.   | Review/Approve October 25, 2018 Meeting Minutes   | Karla Johnson              |
| 4.   | Ratification/Approval of Payments and Credit Card Transactions  | Karla Johnson              |
| 5.   | Review/Approve 2018 Budget Amendments   | Sonya White                |
| 6.   | Review/Approve Bylaws Amendments  | Johnnie Miller             |
| 7.   | Election of Fourth Class County Representative Resolution   | Bret Millburn              |
| 8.   | Elect Officers of the Board   | Bruce Adams                |
| 9.   | Board and Officers of the Board Take Oath of Office   | Sonya White, Karla Johnson |
| 10.  | Review/Approve Bonds for County Officers—Oath of Office Bond  | Johnnie Miller             |
| 11.  | Ratify 2019 Contributions   | Johnnie Miller             |
| 12.  | Review/Approve Reinsurance Renewal  | Johnnie Miller             |
| 13.  | Review/Approve Crime Renewal  | Johnnie Miller             |
| 14.  | Review/Approve Workers Compensation Renewal   | Johnnie Miller             |
| 15.  | Review/Approve LocalGovU Renewal  | Johnnie Miller             |
| 16.  | Review/Approve County Related Entities Membership   | Mike Wilkins               |
| 17.  | Review/Approve Personnel Policy Amendments  | Deb Alexander              |
| 18.  | Review/Approve Electronic Meeting Policy  | Johnnie Miller             |
| 19.  | Review/Approve Statewide Fraud Reporting Program  | Johnnie Miller             |
| 20.  | Set Date, Time and Place of Regular Meetings for 2019   | Sonya White                |
| 21.  | Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual | Bruce Adams                |
| 22.  | Action on Personnel Matters   | Bruce Adams                |
| 23.  | Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation                                   | Bruce Adams                |
| 24.  | Action on Litigation Matters  | Dale Eyre                  |
| 25.  | Presentation of Award of Recognition of Service to UCIP   | Johnnie Miller             |

### INFORMATION

|     |                                  |                |
|-----|----------------------------------|----------------|
| 26. | Audit Committee Report           | Karla Johnson  |
| 27. | Chief Executive Officer's Report | Johnnie Miller |
| 28. | Other Business                   | Bruce Adams    |

Electronic Meeting Notice: 515-604-9807, Participant Passcode: 675642 Anchor Location: 6223 S State, Murray, UT





# Entity: Utah Counties Indemnity Pool

## Body: Board of Directors

|   |  |
|---|--|
| <b>Subject:</b>   | Budgeting  |
| <b>Notice Title:</b>                                    | Public Hearing Notice 2019 Budget  |
| <b>Meeting Location:</b>                                | 6223 S State St<br>Murray 84107  |
| <b>Event Date &amp; Time:</b>                           | December 20, 2018<br>December 20, 2018 01:30 PM - December 20, 2018 01:40 PM   |
| <b>Description/Agenda:</b>                              | The Utah Counties Indemnity Pool Board of Directors has scheduled a Public Hearing to consider adoption of the tentative 2019 budget.  |
| <b>Notice of Special Accommodations:</b>                | In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this hearing should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine St, Murray, UT 84107-6757, or call 801-565-8500, at least three days prior to the hearing. |
| <b>Notice of Electronic or telephone participation:</b> | Any Member of the Utah Counties Indemnity Pool Board of Directors may participate telephonically.  |
| <b>Other information:</b>                               |  |
| <b>Contact Information:</b>                             | Sonya White<br>(801)307-2113<br>sonya@ucip.utah.gov  |
| <b>Posted on:</b>                                       | December 11, 2018 04:06 PM   |
| <b>Last edited on:</b>                                  | December 11, 2018 04:06 PM   |

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1940

1. The first part of the paper is devoted to a discussion of the general principles of the theory of the structure of the atom.

2. The second part of the paper is devoted to a discussion of the general principles of the theory of the structure of the atom.

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4770 S. 5600 W.  
WEST VALLEY CITY, UTAH 84118  
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Deseret News



The Salt Lake Tribune

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CUSTOMER NAME AND ADDRESS

UTAH COUNTIES INDEMNITY POOL,

5397 S VINE ST

SALT LAKE CITY UT 84107

ACCOUNT NUMBER

9001366989

DATE

11/29/2018

ACCOUNT NAME

UTAH COUNTIES INDEMNITY POOL,

TELEPHONE

8015658500

ORDER # / INVOICE NUMBER

0001234194 /

PUBLICATION SCHEDULE

START 11/29/2018 END 11/29/2018

CUSTOMER REFERENCE NUMBER

PUBLIC HEARING NOTICE

CAPTION

PUBLIC HEARING NOTICE The Utah Counties Indemnity Pool Board of Directors has s

SIZE

15 LINES

1 COLUMN(S)

TIMES

2

TOTAL COST

23.75



**AFFIDAVIT OF PUBLICATION**

AS NEWSPAPER AGENCY COMPANY, LLC dba UTAH MEDIA GROUP LEGAL BOOKER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF **PUBLIC HEARING NOTICE The Utah Counties Indemnity Pool Board of Directors has scheduled a Public Hearing to consider adoption of the tentative 2019 budget at** FOR **UTAH COUNTIES INDEMNITY POOL**, WAS PUBLISHED BY THE NEWSPAPER AGENCY COMPANY, LLC dba UTAH MEDIA GROUP, AGENT FOR DESERET NEWS AND THE SALT LAKE TRIBUNE, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH. NOTICE IS ALSO POSTED ON UTAHLEGALS.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAHLEGALS.COM INDEFINITELY. COMPLIES WITH UTAH DIGITAL SIGNATURE ACT UTAH CODE 46-2-101; 46-3-104.

PUBLISHED ON Start 11/29/2018 End 11/29/2018

DATE 11/29/2018

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*[Signature]*

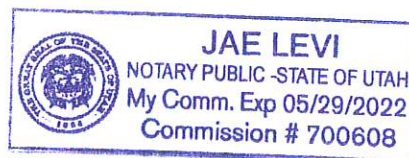
STATE OF UTAH )

COUNTY OF SALT LAKE )

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 29TH DAY OF NOVEMBER

IN THE YEAR 2018

BY LORAIN GUDMUNDSON



*[Signature]*

NOTARY PUBLIC SIGNATURE

RECEIVED  
DEC 03 2013  
BY: \_\_\_\_\_

STAMP



## Entity: Utah Counties Indemnity Pool

### Body: Board of Directors

**Subject:** Administrative Services

**Notice Title:** Board of Directors Meeting

**Meeting Location:** 6223 S State St

Murray 84107

**Event Date & Time:** December 20, 2018  
December 20, 2018 01:30 PM - December 20, 2018 04:30 PM

**Description/Agenda:** Open Meeting, Pledge of Allegiance  
Recess for Public Hearing on the UCIP 2019 Budget  
Reconvene  
Review/Approve 2019 Budget  
Review/Excuse Board Members Absent  
Review/Approve October 25, 2018 Meeting Minutes  
Ratification/Approval of Payments and Credit Card Transactions  
Review/Approve 2018 Budget Amendments  
Review/Approve Bylaws Amendments  
Election of Fourth Class County Representative  
Resolution  
Elect Officers of the Board  
Board and Officers of the Board Take Oath of Office  
Review/Approve Bonds for County Officers-Oath of Office Bond  
Ratify 2019 Contributions  
Review/Approve Reinsurance Renewal  
Review/Approve Crime Renewal  
Review/Approve Workers Compensation Renewal  
Review/Approve LocalGovU Renewal  
Review/Approve County Related Entities Membership  
Review/Approve Personnel Policy Amendments  
Review/Approve Electronic Meeting Policy  
Review/Approve Statewide Fraud Reporting Program  
Set Date, Time and Place of Regular Meetings for 2019  
Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual

Action on Personnel Matters  
Set Date and Time for Closed Meeting to Discuss  
Pending or Reasonably Imminent Litigation  
Action on Litigation Matters  
Presentation of Award of Recognition of Service to  
UCIP  
Audit Committee Report  
Chief Executive Officer's Report  
Other Business

**Notice of Special  
Accommodations:**

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine St, Murray, UT 84107-6757, or call 801-565-8500, at least three days prior to the meeting.

**Notice of Electronic or  
telephone participation:**

Any Member of the Utah Counties Indemnity Pool Board of Directors may participate telephonically.

**Other information:**

**Contact Information:**

Sonya White  
(801)307-2113  
sonya@ucip.utah.gov

**Posted on:**

December 11, 2018 04:20 PM

**Last edited on:**

December 11, 2018 04:20 PM

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## UTAH COUNTIES INDEMNITY POOL BUDGET

|                                      | Projected<br>2019   | Tentative<br>2019   | Draft Final<br>2019 |
|--------------------------------------|---------------------|---------------------|---------------------|
| <b>Revenue</b>                       |                     |                     |                     |
| Contributions                        | \$ 6,308,750        | \$ 6,755,000        | \$ 6,761,783        |
| Investments                          | 100,000             | 200,000             | 200,000             |
| Other                                | 7,000               | 7,000               | 7,000               |
| <b>Total Income</b>                  | <b>6,415,750</b>    | <b>6,962,000</b>    | <b>6,968,783</b>    |
| <b>Underwriting Expense</b>          |                     |                     |                     |
| Losses and Loss Adjustments          | 3,500,000           | 3,500,000           | 3,500,000           |
| Reinsurance                          | 1,500,000           | 1,500,000           | 1,900,000           |
| <b>Total Underwriting Expenses</b>   | <b>5,000,000</b>    | <b>5,000,000</b>    | <b>5,400,000</b>    |
| <b>Administrative Expense</b>        |                     |                     |                     |
| Trustees                             | 55,000              | 55,000              | 55,000              |
| Depreciation                         | 8,500               | 3,000               | 3,000               |
| Risk Management                      | 70,000              | 70,000              | 70,000              |
| Public Relations                     | 15,000              | 20,000              | 22,000              |
| Office                               | 90,000              | 90,000              | 90,000              |
| Financial/Professional               | 90,000              | 100,000             | 100,000             |
| Personnel                            | 700,000             | 700,000             | 765,000             |
| <b>Total Administrative Expenses</b> | <b>1,028,500</b>    | <b>1,038,000</b>    | <b>1,105,000</b>    |
| <b>Total Operating Expense</b>       | <b>\$ 6,028,500</b> | <b>\$ 6,038,000</b> | <b>\$ 6,505,000</b> |
| <b>Change in Net Position</b>        | <b>387,250</b>      | <b>924,000</b>      | <b>463,783</b>      |





# UTAH COUNTIES INDEMNITY POOL

## BOARD OF DIRECTORS' MEETING MINUTES

December 20, 2018, 1:30 p.m.  
Twigs Fashion Place, 6223 S State, Murray, Utah

### BOARD MEMBERS PRESENT

Bruce Adams, *President*, San Juan County Commissioner  
Bret Millburn, *Vice President*, Davis County Commissioner  
Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor  
Alma Adams, Iron County Commissioner  
Dean Cox, Washington County Commissioner  
William Cox, Rich County Commissioner  
Dale Eyre, Sevier County Attorney  
Scott Jenkins, Weber County Commissioner  
Jim Kaiserman, Wasatch County Surveyor  
Mike Wilkins, Uintah County Clerk/Auditor

### BOARD MEMBERS ABSENT

Deb Alexander, Davis County HR Director  
Blaine Breshears, Morgan County Sheriff  
Mark Whitney, Beaver County Commissioner

### OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer  
Sonya White, UCIP Chief Financial Officer  
Alex Getts, UCIP Education & Training Specialist

### Call to Order

Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 1:30 p.m. on December 20, 2018 and welcomed those in attendance.

### Recess for Public Hearing on the UCIP 2019 Budget

Scott Jenkins made a motion for the Board of Directors to recess at 1:30 p.m. on December 20, 2018 for a scheduled Public Hearing to review the Utah Counties Indemnity Pool's 2019 Budget (see attachment number one). William Cox seconded the motion, which passed unanimously. Board Members present at and participating in the public hearing were: Alma Adams, Bruce Adams, Dean Cox, William Cox, Dale Eyre, Scott Jenkins, Karla Johnson, Jim Kaiserman and Mike Wilkins. Others present and participating in the public hearing were: Alex Getts, Johnnie Miller and Sonya White.

Dean Cox made a motion to close the public hearing and reconvene the Board of Directors meeting at 1:40 p.m. on December 20, 2018. Mike Wilkins seconded the motion, which passed unanimously.

### Review/Approve 2019 Budget

Following the Public Hearing, Karla Johnson, Audit Committee Chair, presented the 2019 UCIP Budget to the Board. Karla Johnson made a motion to approve the 2019 Budget as presented. Mike Wilkins seconded the motion, which passed unanimously.

### Review/Excuse Board Members Absent

Mike Wilkins made a motion to excuse Deb Alexander, Blaine Breshears and Mark Whitney from this meeting. Karla Johnson seconded the motion, which passed unanimously.

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## UTAH COUNTIES INDEMNITY POOL

5397 S Vine Street, Murray, UT 84107-6757  
(801)565-8500 [ucip.utah.gov](http://ucip.utah.gov)

### Review/Approve October 25, 2018 Meeting Minutes

The draft minutes of the Board of Directors meeting held October 25, 2018 were previously sent to the Board Members for review (see attachment number two). Dean Cox made a motion to approve the October 25, 2018 Board of Directors meeting minutes as written. Jim Kaiserman seconded the motion, which passed unanimously.

### Ratification and Approval of Payments and Credit Card Transactions

Karla Johnson reported that she has reviewed the payments made, the payments to be made and the credit card transactions of the Pool as of December 20, 2018 (see attachment number three). Scott Jenkins asked for additional information on some items on the report. Scott Jenkins and Dean Cox indicated that additional information on some of the larger payments would be helpful. Scott Jenkins asked about the payment to American Express. Karla Johnson and Sonya White explained that during the term of the report, UCIP had expenses for its Risk Management Workshop, the UAC Conference and other personnel travel that were charged to the American Express card. Dean Cox asked about UCIP looking into the use of a Purchasing Card (P-card). The Utah Division of Finance P-card program is administered in collaboration with U.S. Bank, which pays two percent cash back. Johnnie Miller indicated that P-cards were considered when the State Auditor's office began recommending P-cards. At that time, it did not appear to provide adequate benefit to make a change, but staff re-investigate this option. Karla Johnson made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Dale Eyre seconded the motion, which passed unanimously.

### Review/Approve 2018 Budget Amendments

Sonya White reported on proposed amendments to the 2018 Budget (see attachment number four). Dean Cox questioned if the proposed amendments increase the overall expenditures, which would require a public hearing. White confirmed that the overall expenses will not change with the proposed amendments. White reported that contributions increased with the receipt of Wayne Special Service District #3's contribution. White reported that pursuant to the independent auditor's instruction, contributions and reinsurance amounts are reported on an accrual basis. Therefore, actual numbers for these budgeted line items are more accurate at year end. Reinsurance costs are complicated by the property program, which renews annual on July 1, as well as the addition of new members and property true-up amounts throughout the year. White indicated that the budgeted reinsurance amount be increased by \$250,000. White reported that current losses and loss adjustment expenses paid to date are \$2.4 million and indicated that the budgeted \$3.5 million is proposed to be reduced to \$3.2 million. Risk Management costs are proposed to be reduced by \$8,000, Office expenses increased by \$8,000 and Personnel costs increased by \$45,000. White explained with these adjustments, total budgeted operating expenses remain at \$6,003,000 for 2018. Dean Cox questioned why travel by personnel is expensed from the Personnel line item. Discussion between Board Members and staff on this item lead to Johnnie Miller suggesting that the accounting for personnel travel on the budget be discussed with the independent auditors and the UCIP Audit Committee. Dean Cox made a motion to amend the 2018 budget as presented. Scott Jenkins seconded the motion, which passed unanimously.

### Review/Approve Bylaws Amendments

Amendments to the UCIP Bylaws were previously sent to the Board for review (see attachment number five). Johnnie Miller reported that pursuant to Article 9 of the Bylaws, the Board has the authority to involuntarily terminate a member of the Pool by a three-fourths vote for failing to carry out obligations and detailed the process by which a member could be involuntarily terminated by the Board or Membership. Miller noted that the current process of terminating a member could take several months, and that the process of removing a member could result in significant loss to the Pool before the member is terminated. Miller drafted language for the Bylaws that would better protect the Pool by making it easier to remove a member if the Board feels the member is detrimental to the Pool. Dean Cox commented that 'detrimental to the Pool' may be too broad and asked if the language could be modified to clarify the circumstances when a member is detrimental to the Pool. Jim Kaiserman made a motion to approve the amendment as presented, with the understanding that Miller would meet with the Litigation Committee to further modify the Bylaw amendment related to involuntary termination of a Member. Bret Millburn seconded the motion, which passed unanimously.

Miller reported that the Fourth-Class County election, held at the Annual Membership Meeting in November, ended in a tie. Miller reported that both candidates, Jim Kaiserman and Greg Todd, were still eligible for the Fourth-Class representative position. Miller reported that the Bylaws were silent on how an

election is to be run or how a tie is resolved and offered draft language for clarification that tie votes would be resolved by a coin toss. After weighing different options, the Board decided a coin toss would be a fair resolution to a tie vote. Dean Cox made a motion to accept the election Bylaw amendment as presented. Brett Millburn seconded the motion, which passed unanimously.

#### **Election of Fourth-Class County Representative Resolution**

Based on the revised Bylaws, Bret Millburn, as Chair of the Nominating Committee, conducted a coin toss to resolve the tied election between Jim Kaiserman and Greg Todd, the latter of whom participated telephonically. Jim Kaiserman won the coin toss to represent Fourth-Class Counties on the UCIP Board of Directors.

#### **Oath of Office Administered to Board and Officers UCIP**

Johnnie Miller reported that the members and officers of the Board needed to swear their oaths of office. Sonya White administered the oath of office to Alma Adams, Bruce Adams, Dean Cox, William Cox, Dale Eyre, Scott Jenkins, Karla Johnson, Jim Kaiserman, Mike Wilkins and Johnnie Miller. Karla Johnson administered the oath of office to Sonya White. Each member and officer of the Board signed their oath.

#### **Elect Officers of the Board**

Karla Johnson made a motion reelect Bruce Adams as President of the Board for 2019. Mike Wilkins seconded the motion, which passed unanimously. Karla Johnson made a motion to elect William Cox as Vice President of the Board for 2019. Alma Adams seconded the motion, which passed unanimously. Mike Wilkins made a motion to reelect Karla Johnson as Secretary/Treasurer of the Board for 2019. Scott Jenkins seconded the motion, which passed unanimously.

#### **Review/Approve Bonds for County Officers—Oath of Office Bond**

Sample Public Officials Oath of Office Bonds were previously sent to the Board for review (see attachment number six). Johnnie Miller explained that historically, statutes required officers taking an oath of office to have a bond in place, pursuant to resolution of their governing body, prior to taking any action as an official. However, counties no longer use bonds, instead relying on crime insurance. Miller reported that counties now use crime coverage to protect the county from misuse of public funds. Miller further explained that due to changes to statutes related to surety bonds by the legislature, a surety will not issue a bond in the state of Utah. Miller reported that he checked with the Department of Insurance and confirmed that UCIP could offer bonds to elected officials in order to meet this need. Dale Eyre suggested that this issue was likely to be taken up by the State Legislature and that further action by the Board should be postponed until after the 2019 Legislative session.

#### **Ratify 2019 Contributions**

Johnnie Miller presented the amount of each member's contributions for 2019 to the Board (see attachment number seven). The Board approved rates at their August 22, 2018 meeting. The rates have been applied to the member's exposure information, which has been updated based on exposure information reported by counties through December. Jim Kaiserman made a motion to ratify the contributions as presented. Dale Eyre seconded the motion, which passed unanimously.

#### **Review/Approve Reinsurance Renewal**

County Reinsurance Limited's (CRL) pricing analysis for the liability reinsurance renewal was previously sent to the Board for review (see attachment number eight). Johnnie Miller explained the renewal pricing, member equity and indications to increase UCIP's self-insured retention to the Board. Miller reported that the policy provides a \$5 million limit per occurrence, with a \$250,000 per occurrence self-insured retention for a premium just over \$1 million. Clash coverage is provided for \$29,000 and ensures that if multiple counties are sued for the same claim, the Pool is only charged one self-insured retention. There is a \$31,000 minimum premium for county related entity members that do not have any exposures to rate. Miller reported that property insurance would renew in July. Miller reported that this renewal increased \$50,000 over the prior year, primarily due to covering more law enforcement employees. Alma Adams made a motion to approve the CRL liability reinsurance renewal as presented. Jim Kaiserman seconded the motion, which passed unanimously.



### **Review/Approve Crime Renewal**

The government crime policy renewal binder was previously sent to the Board for review (see attachment number nine). Johnnie Miller reported that excess crime coverage is purchased through the insurance brokerage firm of Arthur J. Gallagher and covered through National Union Fire Insurance Company at a \$2.5 million policy limit and a \$250,000 deductible. The policy covers all members. Mike Wilkins made a motion to approve crime renewal as presented. Dean Cox seconded the motion, which passed unanimously.

### **Review/Approve Workers Compensation Renewal**

UCIP's joint purchase program renewal for workers compensation coverage through WCF Insurance was previously sent to the Board for review (see attachment number ten). Miller indicated the increase was due to new members and increased payroll and changes to each Member's experience modification factor, as the rates for all county class codes were reduced from the prior year. Karla Johnson made a motion to approve the UCIP/WCF 2019 Workers Compensation Joint Purchase Program. Alma Adams seconded the motion, which passed unanimously.

### **Review/Approve Local GovU Renewal**

The renewal information for UCIP's online training program through Local GovU was previously sent to the Board for review (see attachment number 11). Johnnie Miller explained that member usage continued to increase over the past year and recommended that UCIP continue the Local GovU online training program in 2019 by purchasing a block of 5,000 courses for \$28,750. Dean Cox made a motion to continue the Local GovU online training program in 2019 as recommended. Mike Wilkins seconded the motion, which passed unanimously.

### **Review/Approve County Related Entities Membership**

Mike Wilkins provided a membership application summary report for the Elk Meadows Special Service District (see attachment number 12). Elk Meadows Special Service District provides water to businesses and individuals, as well as road maintenance, within the district, and would be a non-voting, non-equity member. Beaver County is the sponsoring Member County. Alma Adams made a motion to approve the membership of the Elk Meadows Special Service District in the Utah Counties Indemnity Pool. Mike Wilkins seconded the motion, which passed unanimously.

### **Review/Approve Personnel Policy Amendments**

Amendments to the UCIP Personnel Policy were previously sent to the Board for review (see attachment number 13). The amendments were reviewed and discussed by the Personnel Committee of the Board and, in the absence of Deb Alexander, Johnnie Miller presented their recommendations. First, the Board previously approved the issuance of credit cards for the Chief Executive Officer and Chief Financial Officer. An amendment would allow the Audit Committee Chair to enforce employee reimbursement in the event cards were used for expenses not approved. Second, the Board previously granted a \$75 per month cell phone allowances to the CEO, CFO and Claims Manager. An amendment would discontinue cell phone allowances as it may make personal cell phones subject to GRAMA requests. Dean Cox recommended increasing the CEO, CFO and Claims Manager salaries by \$50 monthly (\$600 annually), as the standard government rate based on the cost of a state contract for cell service with Verizon. Third, an amendment is proposed to include the Board of Directors in the Award language. Fourth, an amendment to the Holidays that exchanges Veteran's Day for Christmas Eve since staff is asked to work on Veteran's Day to prepare for and attend the UAC Annual Convention. Fifth, an amendment to the earned sick and vacation leave adding language 'not to exceed' hours per calendar year. Dean Cox suggested changing the status of salaried employees to exempt employees. Dale Eyre recommended that the Personnel Committee of the Board should meet, discuss and research the issue of salaried v. exempt employees and report back to the Board. Dean Cox asked about the use of personal time off rather than sick and vacation time. Miller indicated that item was reviewed a couple years ago, but that the Personnel Committee could review that request again. Mike Wilkins made a motion to approve the Personnel Policy Amendments as written with the Personnel Committee providing a recommendation to the Board at their next meeting on exempt status employees. Bret Millburn seconded the motion, which passed. Scott Jenkins opposed.

#### **Review/Approve Electronic Meeting Policy**

The Electronic Meeting Policy was previously sent to the Board for review (see attachment number 14). Johnnie Miller reported that he had no recommended changes. Dale Eyre made a motion to approve the Electronic Meeting Policy as written. William Cox seconded the motion, which passed unanimously.

#### **Review/Approve Statewide Fraud Reporting Program**

A memorandum from Johnnie Miller regarding a Statewide Fraud Reporting Program was previously sent to the Board for review (see attachment number 15). Johnnie Miller reported that the State Auditor's office highly recommended the implementation of a fraud reporting tip line. In researching for a presentation on how to establish this for the Clerk/Auditor's affiliate group, Miller found it raised more questions than answers. Miller reported that the Pool's crime and theft insurance provider does not consider that such tip lines are a best practice for government agencies. Miller expressed concern that a fraud tip line can create numerous due process and legal issues if not properly set up. Miller reported that the Clerk/Auditors unanimously voted in support of either the Pool or the Utah Association of Counties creating a singular statewide fraud hotline. Miller reported that the hotline would likely be answered by a third-party call center, who would then report information to the Pool or UAC. The Pool could establish a screening committee to determine the validity of claims, but where the claim went from there would still need to be determined. Miller reported that such a service would be relatively inexpensive and would be a benefit to members to effectively and appropriately give the counties greater ability to police their officials under the law. Dean Cox asked if it would be possible to do the program on a yearlong contingency program. Miller stated that would be a possibility. Miller reported that he would work with the Clerk/Auditors Association to draft a framework on the program and present it to the Board at a later date. Dean Cox made a motion approving staff to move forward in development of a Fraud Reporting Program and a statewide Local Ethics Committee as presented. Jim Kaiserman seconded the motion, which passed unanimously.

#### **Set Date, Time and Place of Regular Meetings for 2019**

Sonya White provided the Board with the tentative regular meeting schedule of the Board for 2010 (see attachment number 16). The Board will continue to meet every even numbered month on the third Thursday of that month. Karla Johnson made a motion to approve the regular meeting schedule for 2019. Mike Wilkins seconded the motion, which passed unanimously.

#### **Set Date and Time for Closed Meeting**

William Cox made a motion to strike agenda item: Set Date and Time for a Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual. Dean Cox seconded the motion, which passed unanimously.

#### **Action on Personnel Matters**

William Cox made a motion to strike agenda item: Action on Personnel Matters. Dean Cox seconded the motion, which passed unanimously.

#### **Set Date and Time for Closed Meeting**

William Cox made a motion to strike agenda item: Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation. Karla Johnson seconded the motion, which passed unanimously.

#### **Action on Litigation Matters**

William Cox made a motion to strike agenda item: Action on Personnel Matters. Karla Johnson seconded the motion, which passed unanimously.

#### **Presentation of Award of Recognition of Service to UCIP**

Johnnie Miller presented an award of recognition of service to UCIP to the Board of Directors and staff.

#### **Audit Committee Report**

Karla Johnson reported that the Audit Committee was unable to meet with the independent auditors, Larson & Company, to review UCIP's audit plan for the year ended December 31, 2018. Johnson reported that she had copies of the Engagement Letter and Audit Plan. Miller stated that the

Engagement Letter met the requirements of the Board. Mike Wilkins made a motion to approve the Engagement Letter. Dale Eyre seconded the motion, which passed unanimously. The Audit Committee will make arrangements to meet with the independent auditors prior to the beginning of the 2018 financial audit of the Pool.

#### Chief Executive Officer's Report

Johnnie Miller had no additional items to report.

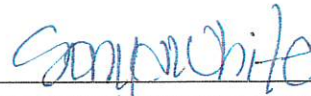
#### Other Business

Sonya White reported that the Association of Governmental Risk Pools' 2019 Governance and Leadership Conference will be held Sunday, March 3 through Wednesday, March 6, 2019 in St. Louis, MO. White reported that AGRIP changed how registration for the conference is handled, and in response she pre-registered some Board members and booked several hotel rooms. William Cox stated that the dates of AGRIP's Conference conflict with NACO. White asked Members of the Board to decide early whether they will be attending the AGRIP Conference.

The next meeting of the Board of Directors will be held Thursday, February 21, 2019 at 12:00 p.m. at the Utah State Capitol, Copper Room.

William Cox made a motion to adjourn the meeting of the Utah Counties Indemnity Pool Board of Directors at 4:30 p.m. on December 20, 2018. Karla Johnson seconded the motion, which passed unanimously. Bruce Adams adjourned the meeting at 4:30 p.m.

Prepared by:



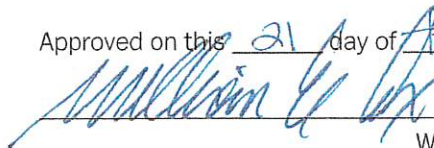
Sonya White, UCIP Chief Financial Officer

Submitted on this 21 day of February 2018



Karla Johnson, Secretary/Treasurer

Approved on this 21 day of February 2018



William Cox, Vice-President



**UTAH COUNTIES INDEMNITY POOL**  
**Payments and Credit Card Transactions**  
October 26 - December 20, 2018

| Date                         | Transaction Type | Num     | Name                      | Memo/Description             | Amount     |
|------------------------------|------------------|---------|---------------------------|------------------------------|------------|
| 500-000000-10010100 ZionsMLC |                  |         |                           |                              |            |
| 11/01/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00151               | -11,111.05 |
| 11/01/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00141               | -8,177.21  |
| 11/01/2018                   | Check            | ACH     | Sevier County             | Claim: SEV0000172018         | -1,344.15  |
| 11/02/2018                   | Check            | BILLPAY | Washington County         | Claim: WAS0000252018         | -2,090.88  |
| 11/02/2018                   | Check            | BILLPAY | Morgan Stanley            | Claim: DUC0000232018         | -16,219.59 |
| 11/02/2018                   | Check            | BILLPAY | Ford Motor Credit Company | Invoice: 52550038            | -31,098.41 |
| 11/02/2018                   | Check            | BILLPAY | Wheeler Machinery Co.     | Invoice: RS0000106496        | -3,019.00  |
| 11/02/2018                   | Check            | BILLPAY | Lowe Law Group            | Claim: WEB0005292017         | -30,000.00 |
| 11/08/2018                   | Check            | ACH     | Dunn & Dunn, PC           | Invoice: 37796               | -1,369.00  |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643997              | -1,864.70  |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643994              | -1,705.10  |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643998              | -2,253.00  |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643988              | -373.50    |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643989              | -3,057.05  |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643990              | -4,013.94  |
| 11/08/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 643992              | -3,692.09  |
| 11/08/2018                   | Check            | ACH     | Hutton Law Associates, PC | Invoice: 00339               | -11,567.00 |
| 11/08/2018                   | Check            | ACH     | Hutton Law Associates, PC | Invoice: 00338               | -3,480.00  |
| 11/08/2018                   | Check            | ACH     | Hutton Law Associates, PC | Invoice: 00337               | -4,050.00  |
| 11/08/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00158               | -4,052.00  |
| 11/08/2018                   | Check            | ACH     | Strong & Hanni            | Invoice: 187682              | -3,942.34  |
| 11/08/2018                   | Check            | ACH     | Suitter Axland            | Invoice: 1290372             | -3,512.43  |
| 11/08/2018                   | Check            | ACH     | Suitter Axland            | Invoice: 1290368             | -3,252.50  |
| 11/08/2018                   | Check            | ACH     | Suitter Axland            | Invoice: 1290366             | -8,760.76  |
| 11/08/2018                   | Check            | ACH     | Suitter Axland            | Invoice: 1290167             | -20.00     |
| 11/08/2018                   | Check            | ACH     | Suitter Axland            | Invoice: 1290363             | -2,055.00  |
| 11/08/2018                   | Check            | ACH     | Wasatch County            | Claim: WAT0000092018         | -56,151.05 |
| 11/09/2018                   | Check            | BILLPAY | Collin Jiron              | Claim: BOX0001242018         | -850.30    |
| 11/13/2018                   | Check            | ACH     | Goebel Anderson PC        | Invoice: 2996                | -450.00    |
| 11/13/2018                   | Check            | ACH     | Goebel Anderson PC        | Invoice: 2995                | -2,345.00  |
| 11/13/2018                   | Check            | ACH     | Goebel Anderson PC        | Invoice: 2994                | -2,502.50  |
| 11/13/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00153               | -11,806.20 |
| 11/15/2018                   | Check            | BILLPAY | Emery County              | Claim: EME0000182018         | -403.45    |
| 11/15/2018                   | Check            | BILLPAY | JSSFD                     | Claim: JFD0000012018         | -1,757.61  |
| 11/15/2018                   | Check            | BILLPAY | Rich County               | Claim: RIC0000152018         | -9,668.00  |
| 11/21/2018                   | Expense          |         | Zions Bank                | SERVICE AND TRANSACTION FEES | -48.00     |
| 11/23/2018                   | Check            | ACH     | Dunn & Dunn, PC           | Invoice: 37799               | -9,560.00  |
| 11/23/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00166               | -11,636.25 |
| 11/23/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00165               | -9,655.96  |
| 11/23/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00162               | -14,499.47 |
| 11/23/2018                   | Check            | ACH     | Davis County              | Claim: DAV0000532018         | -495.75    |
| 11/26/2018                   | Check            | BILLPAY | Frances Peckinpugh        | Claim: WSI0000012018         | -425.00    |
| 12/05/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 646897              | -3,328.15  |
| 12/05/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 646889              | -2,353.50  |
| 12/05/2018                   | Check            | ACH     | Durham Jones & Pinegar    | Invoice: 646894              | -2,094.59  |
| 12/05/2018                   | Check            | ACH     | Mylar Law, PC             | Invoice: 00168               | -5,080.37  |
| 12/05/2018                   | Check            | ACH     | Box Elder County          | Claim: BOX0000142018         | -92.70     |
| 12/05/2018                   | Check            | ACH     | Box Elder County          | Claim: BOX0000132018         | -161.19    |
| 12/05/2018                   | Check            | ACH     | Box Elder County          | Claim: BOX0000122018         | -1,790.80  |
| 12/05/2018                   | Check            | ACH     | Millard County            | Claim: MIL0000202018         | -23,603.93 |
| 12/05/2018                   | Check            | ACH     | Frontier Adjusters, Inc.  | Invoice: T772968             | -212.00    |
| 12/06/2018                   | Check            | BILLPAY | Wrona DuBois, PLLC        | Claim: WAT0001062017         | -18,000.00 |
| 12/06/2018                   | Check            | BILLPAY | YESCO                     | Claim: WAS0000262018         | -460.17    |
| 12/07/2018                   | Deposit          |         | Millard County            | Claim: MIL0000202018         | 23,603.93  |

|            |         |         |                             |                      |                       |
|------------|---------|---------|-----------------------------|----------------------|-----------------------|
| 12/11/2018 | Check   | ACH     | Hutton Law Associates, PC   | Invoice: 00340       | -7,410.00             |
| 12/11/2018 | Check   | ACH     | Hutton Law Associates, PC   | Invoice: 00341       | -5,880.00             |
| 12/11/2018 | Check   | ACH     | Hutton Law Associates, PC   | Invoice: 00342       | -4,260.00             |
| 12/11/2018 | Check   | ACH     | Mylar Law, PC               | Invoice: 00171       | -5,671.00             |
| 12/11/2018 | Check   | ACH     | Mylar Law, PC               | Invoice: 00169       | -15,130.67            |
| 12/11/2018 | Check   | ACH     | Mylar Law, PC               | Invoice: 00170       | -4,268.50             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290489     | -1,125.00             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290487     | -573.18               |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290486     | -1,012.95             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290485     | -1,631.94             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290483     | -3,437.50             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290482     | -2,877.50             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290481     | -4,582.12             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290480     | -525.71               |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290478     | -615.00               |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290477     | -4,829.85             |
| 12/11/2018 | Check   | ACH     | Suitter Axland              | Invoice: 1290476     | -1,638.63             |
| 12/11/2018 | Check   | ACH     | Frontier Adjusters, Inc.    | Invoice: T775112     | -537.00               |
| 12/11/2018 | Check   | ACH     | Duchesne County             | Claim: DUC0000242018 | -1,823.50             |
| 12/11/2018 | Check   | ACH     | Millard County              | Claim: MIL0000202018 | -88,698.33            |
| 12/12/2018 | Check   | BILLPAY | Uintah County               | Claim: UIN0000202018 | -1,116.64             |
| 12/12/2018 | Check   | BILLPAY | Washington County           | Claim: WAS0000272018 | -3,745.43             |
| 12/12/2018 | Check   | BILLPAY | Anthony Davis               | Claim: WAT0000192018 | -4,399.80             |
| 12/13/2018 | Deposit |         | Millard County              | Claim: MIL0000202018 | 88,698.33             |
| 12/14/2018 | Check   | ACH     | Millard County              | Claim: MIL0000202018 | -88,698.33            |
| 12/14/2018 | Check   | ACH     | Millard County              | Claim: MIL0000202018 | -23,603.93            |
| 12/14/2018 | Check   | ACH     | Dunn & Dunn, PC             | Invoice: 37803       | -10,082.00            |
| 12/14/2018 | Check   | ACH     | Goebel Anderson PC          | Invoice: 3111        | -476.00               |
| 12/14/2018 | Check   | ACH     | Goebel Anderson PC          | Invoice: 3112        | -2,124.24             |
| 12/14/2018 | Check   | ACH     | Goebel Anderson PC          | Invoice: 3102        | -3,636.50             |
| 12/14/2018 | Check   | ACH     | Sevier County               | Claim: SEV0000182018 | -6,420.25             |
| 12/14/2018 | Check   | ACH     | Weber Human Services-       | Claim: WHS0000352018 | -960.63               |
| 12/14/2018 | Check   | ACH     | Weber Human Services-       | Claim: WHS0000362018 | -906.48               |
| 12/18/2018 | Check   | BILLPAY | Enterprise Rent-A-Car, Inc. | Invoice: IAG4709     | -196.06               |
|            |         |         |                             |                      | <b>-\$ 546,105.05</b> |

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**500-000000-10010100 ZionsMLE**

|            |                      |         |                                    |   |           |
|------------|----------------------|---------|------------------------------------|---|-----------|
| 10/30/2018 | Payroll Check        | DD      | Alexander F. Getts                 | Pay Period: 10/16/2018- 10/31/2018 10/16/2018 to 10/31/2018 | -1,574.47 |
| 10/30/2018 | Payroll Check        | DD      | Johnnie R. Miller                  | Pay Period: 10/16/2018- 10/31/2018 10/16/2018 to 10/31/2018 | -5,430.34 |
| 10/30/2018 | Payroll Check        | DD      | Johnnie R. Miller                  | Pay Period: 10/16/2018- 10/31/2018 10/16/2018 to 10/31/2018 | -570.00   |
| 10/30/2018 | Payroll Check        | DD      | Korby M. Siggard                   | Pay Period: 10/16/2018- 10/31/2018 10/16/2018 to 10/31/2018 | -2,405.31 |
| 10/30/2018 | Payroll Check        | DD      | Sonya J. White                     | Pay Period: 10/16/2018- 10/31/2018 10/16/2018 to 10/31/2018 | -2,321.55 |
| 10/30/2018 | Payroll Check        | DD      | Marty L. Stevens                   | Pay Period: 10/16/2018- 10/31/2018 10/16/2018 to 10/31/2018 | -1,926.32 |
| 10/30/2018 | Check                | ACH     | PEHP-LTD                           | Agency: 1076  | -193.00   |
| 10/30/2018 | Tax Payment          |         | IRS                                | Tax Payment for Period: 10/31/2018- 11/02/2018              | -3,960.31 |
| 10/30/2018 | Check                | ONLINE  | Utah Retirement Systems            | Confirmation: 10263184760                                   | -8,557.03 |
| 10/30/2018 | Check                | ONLINE  | Nationwide Retirement Solutions    | Entity: 0036786001  | -2,485.28 |
| 10/30/2018 | Tax Payment          |         | UT State Tax Commission            | Confirmation: 1-841-023-104                                 | -1,846.09 |
| 10/30/2018 | Check                | ACH     | Public Employees Health Program    | Invoice: 0122493209   | -7,252.67 |
| 10/30/2018 | Check                | ACH     | James Kaiserman                    | Board Meeting Reimbursement                                 | -54.00    |
| 10/30/2018 | Bill Payment (Check) | ACH     | Les Olson Company                  |   | -79.75    |
| 10/30/2018 | Check                | ACH     | Korby Siggard                      | Expense Reimbursement                                       | -304.44   |
| 10/30/2018 | Bill Payment (Check) | ACH     | Whitney Advertising & Design, Inc. |   | -440.07   |
| 10/30/2018 | Bill Payment (Check) | ACH     | Whitney Advertising & Design, Inc. |   | -44.00    |
| 10/30/2018 | Bill Payment (Check) | ACH     | Arthur J. Gallagher & Co.          |   | -2,306.00 |
| 10/30/2018 | Check                | ACH     | Karla Johnson                      | Expense Reimbursement AGRIP                                 | -625.68   |
| 10/30/2018 | Expense              | ACH     | Johnnie R. Miller                  | Expense Reimbursement                                       | -351.96   |
| 10/31/2018 | Check                | ACH     | Johnnie R. Miller                  | Expense Reimbursement                                       | -139.00   |
| 10/31/2018 | Check                | ACH     | Karla Johnson                      | Expense Reimbursement AGRIP                                 | -53.40    |
| 10/31/2018 | Deposit              |         | Eventbrite                         | RMW Registration Fees                                       | 975.32    |
| 11/02/2018 | Check                | BILLPAY | Mike Wilkins                       | Board Meeting Reimbursement                                 | -192.24   |

|            |                      |         |                                   |  |              |
|------------|----------------------|---------|-----------------------------------|--|--------------|
| 11/02/2018 | Check                | BILLPAY | Bruce Adams                       | Board Meeting Reimbursement                                | -313.20      |
| 11/02/2018 | Check                | BILLPAY | Scott Jenkins                     | Board Meeting Reimbursement                                | -77.76       |
| 11/02/2018 | Check                | BILLPAY | Alma Adams                        | Voided - Board Meeting Reimbursement                       | 0.00         |
| 11/02/2018 | Check                | BILLPAY | Dean Cox                          | Board Meeting Reimbursement                                | -324.00      |
| 11/02/2018 | Check                | BILLPAY | Deb Alexander                     | UPC Reimbursement  | -317.04      |
| 11/02/2018 | Check                | BILLPAY | Blaine Breshears                  | Expense Reimbursement AGRIP                                | -147.00      |
| 11/02/2018 | Check                | BILLPAY | William Cox                       | Expense Reimbursement AGRIP                                | -667.80      |
| 11/05/2018 | Deposit              |         | Utah Safety Council               | AMM Sponsorship  | 750.00       |
| 11/06/2018 | Deposit              |         | CRL                               | WEB0002742009  | 160,964.53   |
| 11/06/2018 | Transfer             |         |                                   | Confirmation: 2149412/CNTR                                 | -120,000.00  |
| 11/07/2018 | Check                | ACH     | Alma Adams                        | Board Meeting Reimbursement                                | -234.15      |
| 11/07/2018 | Check                | ACH     | Mark Whitney                      | Expense Reimbursement AGRIP                                | -296.40      |
| 11/07/2018 | Check                | ACH     | Beaver County                     | Whitney AGRIP Reimbursement                                | -104.00      |
| 11/08/2018 | Bill Payment (Check) | ONLINE  | American Express                  | 3-41009  | -5,496.29    |
| 11/09/2018 | Transfer             |         |                                   | Confirmation: 1542274851173995                             | -30,000.00   |
| 11/14/2018 | Payroll Check        | DD      | Sonya J. White                    | Pay Period: 11/01/2018-11/15/2018 11/01/2018 to 11/15/2018 | -2,321.54    |
| 11/14/2018 | Payroll Check        | DD      | Alexander F. Getts                | Pay Period: 11/01/2018-11/15/2018 11/01/2018 to 11/15/2018 | -1,451.56    |
| 11/14/2018 | Payroll Check        | DD      | Korby M. Siggard                  | Pay Period: 11/01/2018-11/15/2018 11/01/2018 to 11/15/2018 | -2,405.30    |
| 11/14/2018 | Payroll Check        | DD      | Marty L. Stevens                  | Pay Period: 11/01/2018-11/15/2018 11/01/2018 to 11/15/2018 | -1,762.87    |
| 11/14/2018 | Payroll Check        | DD      | Johnnie R. Miller                 | Pay Period: 11/01/2018-11/15/2018 11/01/2018 to 11/15/2018 | -5,430.34    |
| 11/14/2018 | Payroll Check        | DD      | Johnnie R. Miller                 | Pay Period: 11/01/2018-11/15/2018 11/01/2018 to 11/15/2018 | -570.00      |
| 11/14/2018 | Tax Payment          |         | IRS                               | Tax Payment for Period: 11/14/2018-11/16/2018              | -3,890.44    |
| 11/19/2018 | Deposit              |         |                                   |  | 21,078.00    |
| 11/21/2018 | Check                | ACH     | Marty L. Stevens                  | Expense Reimbursement UAC                                  | -212.32      |
| 11/21/2018 | Check                | ACH     | Korby M. Siggard                  | Expense Reimbursement UAC                                  | -405.80      |
| 11/21/2018 | Check                | ACH     | Alexander F. Getts                | Expense Reimbursement                                      | -39.74       |
| 11/21/2018 | Check                | ACH     | Alexander F. Getts                | Expense Reimbursement                                      | -400.64      |
| 11/21/2018 | Check                | ACH     | Johnnie R. Miller                 | Expense Reimbursement                                      | -471.46      |
| 11/21/2018 | Bill Payment (Check) | ACH     | Les Olson Company                 | Invoice: EA819410  | -332.37      |
| 11/21/2018 | Bill Payment (Check) | ACH     | Object Systems International, LLC | Invoice: 10244   | -1,372.50    |
| 11/21/2018 | Bill Payment (Check) | ACH     | Revco Leasing Company, LLC        | Invoice: 513085  | -235.47      |
| 11/21/2018 | Bill Payment (Check) | ACH     | Gallagher Bassett Services, Inc.  | Invoice: 15323   | -198.00      |
| 11/21/2018 | Expense              |         | Zions Bank                        | SERVICE AND TRANSACTION FEES                               | -133.21      |
| 11/21/2018 | Deposit              |         | Eventbrite                        |  | 252.92       |
| 11/23/2018 | Check                | ONLINE  | Nationwide Retirement Solutions   | Entity: 0036786001   | -2,485.28    |
| 11/26/2018 | Check                | BILLPAY | Sonya J. White                    | Expense Reimbursement                                      | -2,025.53    |
| 11/26/2018 | Bill Payment (Check) | BILLPAY | Professional Yard Services        | Invoice: 134910  | -402.50      |
| 11/27/2018 | Deposit              |         |                                   |  | 2,331.00     |
| 11/28/2018 | Check                | ACH     | Public Employees Health Program   | Invoice: 0122587293  | -7,252.67    |
| 11/28/2018 | Check                | ACH     | PEHP-LTD                          | Agency: 1076   | -191.25      |
| 11/29/2018 | Payroll Check        | DD      | Marty L. Stevens                  | Pay Period: 11/16/2018-11/30/2018 11/16/2018 to 11/30/2018 | -1,762.87    |
| 11/29/2018 | Payroll Check        | DD      | Korby M. Siggard                  | Pay Period: 11/16/2018-11/30/2018 11/16/2018 to 11/30/2018 | -2,405.30    |
| 11/29/2018 | Payroll Check        | DD      | Sonya J. White                    | Pay Period: 11/16/2018-11/30/2018 11/16/2018 to 11/30/2018 | -2,321.55    |
| 11/29/2018 | Payroll Check        | DD      | Johnnie R. Miller                 | Pay Period: 11/16/2018-11/30/2018 11/16/2018 to 11/30/2018 | -5,430.34    |
| 11/29/2018 | Payroll Check        | DD      | Johnnie R. Miller                 | Pay Period: 11/16/2018-11/30/2018 11/16/2018 to 11/30/2018 | -570.00      |
| 11/29/2018 | Payroll Check        | DD      | Alexander F. Getts                | Pay Period: 11/16/2018-11/30/2018 11/16/2018 to 11/30/2018 | -1,451.57    |
| 11/29/2018 | Check                | ONLINE  | Utah Retirement Systems           | Confirmation: 112043242613                                 | -8,498.39    |
| 11/29/2018 | Check                | ONLINE  | Nationwide Retirement Solutions   | Entity: 0036786001   | -2,485.28    |
| 11/29/2018 | Tax Payment          |         | IRS                               | Tax Payment for Period: 11/28/2018-11/30/2018              | -3,890.40    |
| 11/29/2018 | Tax Payment          |         | UT State Tax Commission           | 0-383-314-048  | -1,824.12    |
| 12/05/2018 | Transfer             |         |                                   | Confirmation: 1544275870683884                             | -3,000.00    |
| 12/07/2018 | Bill Payment (Check) | ACH     | Gallagher Bassett Services, Inc.  | Invoice: 15327   | -108.00      |
| 12/07/2018 | Check                | ACH     | James Kaiserman                   | UAC Convention Activity Sponsorship                        | -634.53      |
| 12/07/2018 | Deposit              |         | Zions Management Services         |  | 1,000.00     |
| 12/10/2018 | Bill Payment (Check) | ONLINE  | American Express                  | 3-41009  | -18,214.40   |
| 12/11/2018 | Deposit              |         |                                   |  | 1,120,181.00 |
| 12/12/2018 | Bill Payment (Check) | ACH     | Utah Association of Counties      | Invoice: 5925  | -169.25      |
| 12/12/2018 | Bill Payment (Check) | ACH     | Utah Association of Counties      | Invoice: 5924  | -18,075.00   |
| 12/13/2018 | Payroll Check        | DD      | Sonya J. White                    | Pay Period: 12/01/2018-12/15/2018 12/01/2018 to 12/15/2018 | -2,321.55    |
| 12/13/2018 | Payroll Check        | DD      | Korby M. Siggard                  | Pay Period: 12/01/2018-12/15/2018 12/01/2018 to 12/15/2018 | -2,405.31    |

|            |                      |         |                            |  |                 |
|------------|----------------------|---------|----------------------------|--|-----------------|
| 12/13/2018 | Payroll Check        | DD      | Alexander F. Getts         | Pay Period: 12/01/2018-12/15/2018 12/01/2018 to 12/15/2018 | -1,328.63       |
| 12/13/2018 | Payroll Check        | DD      | Johnnie R. Miller          | Pay Period: 12/01/2018-12/15/2018 12/01/2018 to 12/15/2018 | -5,430.33       |
| 12/13/2018 | Payroll Check        | DD      | Johnnie R. Miller          | Pay Period: 12/01/2018-12/15/2018 12/01/2018 to 12/15/2018 | -570.00         |
| 12/13/2018 | Payroll Check        | DD      | Marty L. Stevens           | Pay Period: 12/01/2018-12/15/2018 12/01/2018 to 12/15/2018 | -1,599.41       |
| 12/13/2018 | Tax Payment          |         | IRS                        | Tax Payment for Period: 12/12/2018-12/14/2018              | -3,820.53       |
| 12/13/2018 | Deposit              |         |                            |  | 41,548.00       |
| 12/14/2018 | Bill Payment (Check) | BILLPAY | Professional Yard Services | Invoice: 135805  | -530.00         |
| 12/14/2018 | Bill Payment (Check) | ACH     | Color Transfer, Inc.       |  | -110.00         |
| 12/18/2018 | Bill Payment (Check) | BILLPAY | Utah Media Group           |  | -23.75          |
|            |                      |         |                            |  | <hr/>           |
|            |                      |         |                            |  | \$ 1,025,018.92 |

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# UTAH COUNTIES INDEMNITY POOL

## BUDGET

|                                      | Approved<br>2018    | Nov/Dec<br>2018     | Draft<br>Amended<br>2018 |
|--------------------------------------|---------------------|---------------------|--------------------------|
| <b>Revenue</b>                       |                     |                     |                          |
| Contributions                        | \$ 6,125,178        | \$ 6,123,084        | \$ 6,123,084             |
| Investments                          | 200,000             | 293,214             | 200,000                  |
| Other                                | 7,000               | 24,209              | 7,000                    |
| <b>Total Income</b>                  | <b>6,332,178</b>    | <b>6,440,507</b>    | <b>6,330,084</b>         |
| <b>Underwriting Expense</b>          |                     |                     |                          |
| Losses and Loss Adjustments          | 3,500,000           | 2,415,390           | 3,205,000                |
| Reinsurance                          | 1,500,000           | 1,748,005           | 1,750,000                |
| <b>Total Underwriting Expenses</b>   | <b>5,000,000</b>    | <b>4,163,395</b>    | <b>4,955,000</b>         |
| <b>Administrative Expense</b>        |                     |                     |                          |
| Trustees                             | 55,000              | 28,140              | 55,000                   |
| Depreciation                         | 6,000               | 3,428               | 6,000                    |
| Risk Management                      | 70,000              | 48,179              | 62,000                   |
| Public Relations                     | 22,000              | 16,062              | 22,000                   |
| Office                               | 80,000              | 77,152              | 88,000                   |
| Financial/Professional               | 95,000              | 90,543              | 95,000                   |
| Personnel                            | 675,000             | 665,344             | 720,000                  |
| <b>Total Administrative Expenses</b> | <b>1,003,000</b>    | <b>928,848</b>      | <b>1,048,000</b>         |
| <b>Total Operating Expense</b>       | <b>\$ 6,003,000</b> | <b>\$ 5,092,243</b> | <b>\$ 6,003,000</b>      |
| <b>Change in Net Position</b>        | <b>329,178</b>      | <b>1,348,264</b>    | <b>327,084</b>           |



**MEMORANDUM**

**TO: UCIP Board of Directors**  
**FROM: Johnnie Miller**  
**DATE: December 13, 2018**  
**RE: Bylaws Related to Involuntary Member Termination**

As respects the termination of a Member by the Board, the Interlocal Agreement Section 5.13(q) provides the Board the power to:

- (q) Terminate a Member from the Pool as provided for in the Amended Bylaws; and
- (s) Amend the Bylaws by a two-thirds vote of all Board members.

The Bylaws Article 9. Involuntary Termination of Membership provides that the Board may terminate a Member for failure to timely pay a contribution (Section 9.1) or for failure to carry out any other obligation of the Member (Section 9.2). Section 9.2 specifically lays out the process for involuntary termination:

- 9.2 Any membership in the Pool may be terminated by the Board or by a three-fourths vote of the Members for failure of the Member to carry out any other obligation of the Member, subject to the following:
- (a) The Member shall receive written notice from the Board of the alleged failure and shall be given not less than 30 days in which to correct the alleged failure, along with notice that termination of membership could result if the failure is not corrected.
  - (b) The Member may request a hearing before the Board prior to the termination. The request shall be made in writing to the Board at least ten business days before the end of the period given by the Board to correct the alleged failure. The Board shall present the case for termination of the membership at the hearing, and the affected Member may present its case. A Board Member of the affected Member shall not be counted in determining a quorum or the number of votes required, nor shall the Board Member representative of such Member be entitled to vote on the termination.
  - (c) If a request for hearing is not received pursuant to Article 9.2(b) of the Bylaws and if the failure is not corrected within the time required by the Board's notice, or any extension of such time as the Board may grant, the Board may terminate the membership.

- (d) The Board shall provide the Member at least ten days prior written notice of the time and place of any requested hearing, and the proposed termination of the membership may not take effect until such time after the conclusion of any hearing as the Board may set.

As the Board has authority to terminate a Member for failure to carry out a Member Obligation, it is important to review the Member Obligations set out in the Bylaws, which read as follows:

4.1 Members shall have the obligation to:

- (a) Pay promptly all contributions and other payments to the Pool at such times and in such amounts as shall be established in accordance with these Bylaws. Annual contributions are due on or before the first day of January of the applicable fund year. Members making payments, or portions thereof, postmarked after January 31 shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF).
- (b) Designate in writing a Representative and one or more Alternate representatives for the Membership Meetings. Each Representative and Alternate Representative must be an elected or appointed officer or employee of a Member and must be appointed by majority vote of the governing body or by the county executive or county mayor of the Member to be the Member's official Representative for the purposes of casting the Member's vote at a Membership Meeting. An Alternate Representative may exercise all the powers of a Representative during a Membership Meeting, in the absence of the Representative.
- (c) Allow the Pool, its Chief Executive Officer, agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool and implementation of the Agreement, the Bylaws and policies of the Board.
- (d) Cooperate fully with the Pool's attorneys, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool in activities relating to the purposes and powers of the Pool.
- (e) Provide information requested by the Pool, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool, as reasonably required for the administration of the Pool.
- (f) Allow the Pool, and attorneys and others designated by the Pool, to represent the Member in the investigation, settlement and litigation of any claim within the scope of loss protection furnished by or through the Pool and also to deny coverage for any claims settled by a Member or for any monies paid by a Member toward claims without the prior written approval of the Pool.

- (g) Follow the claims, loss reduction and prevention, and risk management policies and procedures established by the Board.
- (h) Report to the Pool, in the form and within the time required by the Board, all incidents or occurrences that could reasonably be expected to result in a covered claim to the Pool under the Coverage Addendum.
- (i) Report to the Pool, in the form and within the time required by the Board, the addition of new programs, facilities and exposures or the significant reduction or expansion of existing programs and facilities covered under the Coverage Addendum of these Bylaws.
- (j) Designate a Risk Coordinator who shall act as the Member's primary contact with the Pool.

As the obligations outlined are quite specific and would not allow termination for concerns of the Board for issues that might arise, but are not current, the Board may want to consider adding a general provision to allow for the involuntary termination of a Member if continuing membership would be detrimental to the Pool. Such a provision could include a requirement for the Board to identify circumstances under which the Member would be allowed to continue or renew its membership, with a time period under which the Member would not forfeit its Member Equity or other membership rights.

JRM/jrm



## BYLAWS OF THE UTAH COUNTIES INDEMNITY POOL

These Amended Bylaws are adopted by the Board of Directors of the Utah Counties Indemnity Pool (“Pool”) in accordance with the Interlocal Cooperation Agreement entered into by the Members of the Pool, each of which hereby agrees to abide by the terms and conditions of these Amended Bylaws and all actions taken pursuant hereto.

### ARTICLE 1. Authority.

- 1.1 These Bylaws are amended pursuant to the provisions of the Amended Interlocal Cooperation Agreement.
- 1.2 These Bylaws may be amended and shall continue in effect until amended as provided herein.
- 1.3 The Pool shall have all powers necessary or desirable to achieve the purposes of the Pool as set forth in the Agreement and these Bylaws.

### ARTICLE 2. Definitions.

As used in these Bylaws, the following terms shall have the meaning hereinafter set out:

- 2.1 **Agreement or Amended Agreement.** The Amended Interlocal Cooperation Agreement for Utah Counties Indemnity Pool.
- 2.2 **Alternate Representative.** An individual authorized by a Member to vote in place of the Member’s Representative if the Member’s Representative is unable to
- 2.3 **Board of Directors or Board.** The Board of Directors of the Utah Counties Indemnity Pool.
- 2.4 **Board Meeting.** A meeting of the Board of Directors where a quorum is present and for which proper notice has been provided in accordance with Utah law.
- 2.5 **Bylaws or Amended Bylaws.** The Amended Bylaws of the Utah Counties Indemnity Pool.
- 2.6 **Code, Statute or Utah Law.** The Utah Code, including Utah Code Ann. Titles 11, 63G and 31A, as amended from time to time.
- 2.7 **County or Counties.** One or more of the twenty-nine counties of the State of Utah.
- 2.8 **County Related Entity.** A political subdivision of the State of Utah that provides services similar to those provided by Utah counties, or which provides a service to Utah counties.
- 2.9 **Chief Executive Officer.** The person designated by the Board of Directors as Chief Executive Officer of the Utah Counties Indemnity Pool.

- 2.10 **Director.** An individual member of the UCIP Board of Directors.
- 2.11 **Member.** A county or county related entity that is a party to the Amended Interlocal Cooperation Agreement.
- 2.12 **Membership Meeting.** A meeting of the Members of the Utah Counties Indemnity Pool where a quorum is present and for which proper notice has been provided in accordance with the Agreement and Bylaws.
- 2.10 **Officer or Officers.** The President, Vice-President, or Secretary-Treasurer elected in accordance with these Amended Bylaws.
- 2.11 **Pool.** Utah Counties Indemnity Pool, an Interlocal entity.
- 2.12 **Representative.** The person designated pursuant to Article 4.7(b) to be a Member's official representative for the purposes of representing the Member by casting the Member's vote at a Membership Meeting.
- 2.13 **Risk Coordinator.** The person designated pursuant to Article 4.7(j) to be a Member's primary contact with the Pool.
- 2.14 **Sponsoring Member.** A UCIP Member which is a County that sponsors the membership of a county related entity pursuant to Article 4.3(a)iii.
- 2.15 **Surplus.** The amount shown as Net Position on the audited financial statements of the Pool.
- 2.16 **Director.** A natural person elected or appointed in accordance with the Agreement to a Director position on the Board.

### **ARTICLE 3. Purpose.**

- 3.1 The Pool is formed, financed, organized, and shall operate in accordance with the Agreement and the provisions of these Bylaws.

### **ARTICLE 4. Members.**

- 4.1 Membership in the Pool is limited to Utah counties and county related entities that properly enter into the Agreement.
- 4.2 Counties and county related entities, including former Members, may be admitted to the Pool after its formation only upon approval of the Board and subject to the conditions set out in the Agreement, these Bylaws and such additional conditions as the Board may from time to time require.
- 4.3 County related entities may participate in UCIP as a separate Member pursuant to the following:



- (a) To be eligible as a separate UCIP Member a county related entity must:
  - i. have statutory authority to enter into an Interlocal Agreement;
  - ii. be able to meet the Member obligations enumerated in the UCIP Interlocal Agreement and Bylaws;
  - iii. be sponsored by a participating Member County by resolution of the Member's governing body; and
  - iv. provide services which are beneficial to the sponsoring Member County or county government generally.
- (b) In addition to the requirements of eligibility under 4.3 (a):
  - i. A county related entity that is an Interlocal Agency must be organized and operated pursuant to Title 11, Chapter 13 of the Utah Code, and the Sponsoring Member must be a member of the Interlocal Agency;
  - ii. A county related entity that is a Special Service District must be organized and operated pursuant to Title 17D, Chapter 1 of the Utah Code;
  - iii. A county related entity that is a Local Building Authority or Municipal Building Authority must be organized and operated pursuant to Title 17D, Chapter 2 of the Utah Code;
  - iv. A county related entity that is a Conservation District must be organized and operated pursuant to Title 17D, Chapter 3 of the Utah Code;
  - v. A county related entity that is a Local District must be organized and operated pursuant to Title 17B of the Utah Code, and all members of the Board of the Local District must be appointed by the governing body of the Sponsoring Member.
  - vi. A county related entity that is a Recreation Board must be organized and operated pursuant to Title 11, Chapter 2 of the Utah Code;
  - vii. A county related entity that is a Community Development or Renewal Agency must be organized and operated pursuant to Title 17C, Chapter 1 of the Utah Code;
  - viii. A county related entity that is a County Health District or multi-county Health District must be organized pursuant to Title 26A of the Utah Code;

4.4 Members shall be classified as one of the following member types:

- (a) Equity Member; and
- (b) Non-equity Member.

Equity members shall be included in the calculation of equity as described in the Agreement and these Bylaws. Non-equity Members shall not be included in calculations of, nor shall they have any ownership interest in, the member equity of the pool. Non-equity Members do not have a right to distributions of dividends, however non-equity Member status does not restrict those members from being included in distribution of dividends approved by the Board of Directors, and any dividend paid to a Non-Equity Member shall be at the Board's sole discretion.

4.5 Members shall also be classified as either:

- (a) Voting; or
- (b) Non-voting members.

Members which are counties shall be voting members. Members which are not counties shall be non-voting members.

4.6 Members shall meet at least once annually. A Membership Meeting may be called by the Board or President pursuant to a procedure to be established by the Board, or upon written request executed by at least 30 percent of the Members.

- (a) Notice of any Membership Meeting shall be mailed to each Member at least 15 days in advance.
- (b) The President, Vice President, or Secretary-Treasurer of the Board shall preside at the Membership Meeting or the President's designee if no other Officer is present at the meeting.
- (c) A majority of the Voting Members shall constitute a quorum to do business.
- (d) Proxy voting shall not be allowed.
- (e) Each Member shall be entitled to one vote on each issue before the membership at any Membership Meeting, to be cast by its Representative or Alternate Representative if the Representative is unable to vote. The Representative and Alternate Representative shall be designated by the Member in accordance with Article 4.7(b) of the Bylaws.
- (f) The location of Membership Meetings will be as determined from time to time by the Board.

4.7 Members shall have the obligation to:

- (a) Pay promptly all contributions and other payments to the Pool at such times and in such amounts as shall be established in accordance with these Bylaws. Annual contributions are due on or before the first day of January of the applicable fund year. Members making payments, or portions thereof, postmarked after January 31 shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF).

- (b) Designate in writing a Representative and one or more Alternate representatives for the Membership Meetings. Each Representative and Alternate Representative must be an elected or appointed officer or employee of a Member and must be appointed by majority vote of the governing body or by the county executive or county mayor of the Member to be the Member's official Representative for the purposes of casting the Member's vote at a Membership Meeting. An Alternate Representative may exercise all the powers of a Representative during a Membership Meeting, in the absence of the Representative.
- (c) Allow the Pool, its Chief Executive Officer, agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool and implementation of the Agreement, the Bylaws and policies of the Board.
- (d) Cooperate fully with the Pool's attorneys, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool in activities relating to the purposes and powers of the Pool.
- (e) Provide information requested by the Pool, its Chief Executive Officer, and any other agent, contractor, employee or officer of the Pool, as reasonably required for the administration of the Pool.
- (f) Allow the Pool, and attorneys and others designated by the Pool, to represent the Member in the investigation, settlement and litigation of any claim within the scope of loss protection furnished by or through the Pool and also to deny coverage for any claims settled by a Member or for any monies paid by a Member toward claims without the prior written approval of the Pool.
- (g) Follow the claims, loss reduction and prevention, and risk management policies and procedures established by the Board.
- (h) Report to the Pool, in the form and within the time required by the Board, all incidents or occurrences that could reasonably be expected to result in a covered claim to the Pool under the Coverage Addendum.
- (i) Report to the Pool, in the form and within the time required by the Board, the addition of new programs, facilities and exposures or the significant reduction or expansion of existing programs and facilities covered under the Coverage Addendum of these Bylaws.
- (j) Designate a Risk Coordinator who shall act as the Member's primary contact with the Pool.

## **ARTICLE 5. Board of Directors.**

### **5.1 The Board shall:**

- (a) Perform all duties required by Utah law, the Agreement, and these Bylaws.
- (b) Obtain and provide to Members at least annually an audit of the finances of the Pool performed by an independent certified public accountant. Providing Members access to the audit of finances of the Pool on the Pool's website or the Utah Office of State Auditor's website meets the Board's duty to provide the audit to Members.
- (c) Provide for at least quarterly financial statements to account for income, expenses, assets and liabilities of the Pool.
- (d) Provide at least annually for an actuarial review of the Pool's liabilities for losses and loss adjustment expenses.
- (e) Adopt a budget annually and report the budget to the Members. Providing Members access to the budget on the Pool's website or the Utah Office of State Auditor website meets the Board's duty to provide the budget to Members.
- (f) Require that fidelity bonds or appropriate insurance, in an amount to be determined by the Board, be in effect for employees of the Pool, and every other person having access to moneys of the Pool.
- (g) Appoint an Audit Committee to review the financial statements, actuarial analysis, make recommendations to the Board on the financial affairs of the Pool, and make an annual report to the members regarding the financial affairs of the Pool.
- (h) Appoint a Nominating Committee to solicit nominations for available elected Director positions. Any elected official of a Member or any Director may nominate eligible persons to run for available elected Director positions. Nominations will be received at the Pool office no later than 30 days prior to the meeting at which the election is scheduled. The Pool will verify that each nominee is willing to serve if elected before forwarding the nominations to the Nominating Committee. The Nominating Committee shall review the nominations and select by a majority vote not more than three names to be placed on the ballot for each available elected Director position. A person may not be nominated and placed on the ballot for more than one available elected Director position. In the event that no nominations are received for one or more available elected Director positions, the President of the Board of Directors can solicit nominations from the floor on the following conditions:
  - i. The nominee is eligible to serve as a Director in accordance with Section 5 of the Agreement; and
  - ii. The nominee, if present, expresses a willingness to serve, or, if not present, the Pool has verified that the nominee has expressed a willingness to serve.
- (i) Adopt and maintain an investment policy as an addendum to these bylaws to state the manner in which funds of the Pool may be invested.



- (j) Adopt and maintain a Coverage Addendum as an addendum to these bylaws to state the manner and extent to which Members will be indemnified from the assets of the Pool.
- (k) Exercise their responsibility to the Pool and Member counties in the following way:
  - i. First, to the mission of the Pool, to maintain financial and managerial integrity, and to serve all counties fairly;
  - ii. Second, to express the needs and concerns of the county(ies) that Board Member represents.

5.2 Directors will be reimbursed for reasonable and approved expenses incurred in attending Board meetings and in otherwise carrying out their responsibilities in accordance with the Reimbursement Policy adopted by the Board. UCIP will reimburse Directors for in-state travel by private vehicle at the rate allowed by the State of Utah Department of Finance at the time of travel, as well as for lodging and meals at actual cost, within the guidelines for travel and expense reimbursement adopted by the State of Utah Department of Finance. For Directors attending out-of-state conferences and business meetings as approved by the Board, UCIP will pay directly the registration, airfare and lodging expenses for the dates of the conference or meeting and up to two travel days for Directors arranging travel through the UCIP office. Directors will be paid per diem for out-of-state meals and incidental expenses for each day of the training and travel day(s) pursuant to the rates published by the State of Utah Department of Finance. Directors will also be compensated for necessary transportation expenses between the airport and lodging. Receipts for airfare, lodging and necessary transportation, paid by the Director, are required for reimbursement. A written statement by the Director will be required in place of a lost receipt. Reimbursement is made based on the least expensive reasonable method of travel. Expenses for guests who accompany Directors to UCIP meetings or to approved out-of-state training are the responsibility of the Director. UCIP will invoice Directors for any guest expenses paid by UCIP. However, there will be no charge for guests attending business meals hosted by and at the invitation of the Chief Executive Officer. Requests for reimbursement shall be submitted within 60 days of completion of a trip.

5.25.3 Directors will be elected in accordance with Section 5 of the Agreement. Notwithstanding Article 4.6(e) only Members of the class of county which a Director will represent may vote for Directors nominated to serve pursuant to Section 5.1(d) through (g) of the Agreement. Election of Directors shall be conducted by written secret vote. A simple majority of those voting in the election will determine the nominee elected to the position. In the event of a tie vote, a coin flip will be conducted to determine the outcome of the election. The Director conducting the coin flip will determine which candidate will be considered "heads" prior to flipping the coin.

## **ARTICLE 6. Officers, Meetings, Procedures.**

- 6.1 The principal offices of the Board shall be: president, vice-president and secretary-treasurer. The principal offices shall be held by three separate natural persons. Officers shall be elected by and from among the Directors, at the first Board meeting following each

annual meeting of the Members. The Board shall establish the powers and duties of each officer, consistent with these Bylaws, and the Agreement. All Members of the Board shall have full voting rights. The president shall preside over meetings of the Board and of the Members and shall perform such other duties as may be prescribed from time to time by the Board and the Members. The vice-president shall exercise the powers of the president in the absence of the president, and the secretary-treasurer shall exercise the powers of the president in the absence of the president and vice-president.

- 6.2 The Board shall fix the date, time and place of regular meetings that are scheduled in advance over the course of a year. Meetings may be called by the president, or by any five Members of the Board, by written notice mailed at least ten days in advance to all Directors or by unanimously executed waiver of notice. Emergency meetings of the Board may be held to consider matters of an emergency or urgent nature, after an attempt has been made to notify all Board Members and a majority votes in the affirmative to hold the meeting. Notice, including public notice, of all meetings and the agenda shall comply with applicable laws of the State of Utah.
- 6.3 Seven Directors shall constitute a quorum to do business. All actions of the Board shall require a quorum and a majority vote of the Directors present, except where a different vote is required by the Agreement or these Bylaws.
- 6.4 The Board shall adopt such policies and procedures as it deems necessary, required or desirable for the conduct of its business.
- 6.5 Any or all Directors may participate in any meeting of the Board by means of an electronic meeting as defined in Code, and in accordance with the Board's Electronic Meeting Policy. Participation by such means shall constitute presence at the meeting.
- 6.6 The Board shall establish its own rules of order that are not in conflict with the laws of the State of Utah, the Agreement, and other specific provisions of these Bylaws.
- 6.7 A Director's position may be declared vacant by official action of the Board of Directors when the Director has accumulated two consecutive unexcused absences at duly called meetings for which the Director has received notification. Excused absences will be granted only with advance notice received by the UCIP offices or a member of the Board of Directors prior to the Board meeting and approved by formal action of the Board.

## **ARTICLE 7. Financing.**

- 7.1 All monies of the Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool.
- 7.2 The Board shall establish Member contributions pursuant to guidelines established by the Board from time to time.
- 7.3 Surplus of the Pool shall be attributable to the Members as equity. Equity in the Pool shall be used to satisfy the surplus requirements established by the Board and any applicable regulation, and next to repay any outstanding debentures after which refund of surplus in the form of dividends to Members may be considered. Any refund of surplus moneys shall be consistent with policies adopted by the Board.



- 7.4 Investments of monies of the Pool shall be limited to those investments permitted by the State Money Management Act, Utah Code Ann. §51-7-1 et seq. (2002), as amended.
- 7.5 Member's equity in UCIP shall be calculated as follows:
- (a) The ratio of each member's contributions to the total contributions shall be computed for each fund year.
  - (b) The member's contribution ratio shall be multiplied by the total surplus, (less any borrowed surplus), attributable to a fund year as stated in the most recent monthly financial statement. A member's total equity will be the sum of the yearly amounts for each fund year for which that member was a participating member in UCIP.
  - (c) In the event that the surplus amount is a negative number, a member's equity will be decreased using the same method of calculation as above.
  - (d) In the event of a termination of membership, the terminated member shall lose and have no claim to any equity in UCIP. The equity formerly attributed to that member for each fund year shall be allocated to the remaining counties who were members during that fund year.
  - (e) The Board of Directors in its sole discretion shall determine if and when equity is distributed.

#### **ARTICLE 8. Withdrawal and Termination.**

- 8.1 Any Member may withdraw from a joint purchase program, or terminate its membership in the Pool in accordance with the Agreement.
- 8.2 Withdrawal or termination from the Property/Liability program shall be considered termination of membership.

#### **ARTICLE 9. Involuntary Termination of Membership.**

- 9.1 The Board may terminate a Member that fails to pay a contribution due the Pool within sixty days of the due date, unless time for payment is extended by the Board and payment is made within the extended period. A notice of failure to pay a contribution due the Pool shall be mailed to the Member at least 30 days prior to the date of termination. Coverage and payment of claims shall terminate effective the first date for which the unpaid contribution was calculated for. If the unpaid contribution is additional contribution resulting from an audit, coverage and payment of claims shall terminate effective on a date calculated on a pro-rata basis of the unpaid contribution to the contribution paid for the audit period. A termination of membership under this paragraph shall not be subject to the provisions of Article 9.2.

9.2 Any membership in the Pool may be terminated by majority vote of the Board or by a three-fourths vote of the Members for failure of the Member to carry out any other obligation of the Member.

9.3 Any membership in the Pool may be terminated by a three-fourths vote of the Board or Members if the continued membership is considered detrimental to the Pool.

9.29.4 Any termination under 9.2 will be, subject to the following:

- (a) The Member shall receive written notice from the Board of the alleged failure and shall be given not less than 30 days in which to correct the alleged failure, along with notice that termination of membership could result if the failure is not corrected.
- (b) The Member may request a hearing before the Board prior to the termination. The request shall be made in writing to the Board at least ten business days before the end of the period given by the Board to correct the alleged failure. The Board shall present the case for termination of membership at the hearing and the affected Member may present its case. A Board Member of the affected Member shall not be counted in determining a quorum or the number of votes required, nor shall the Board Member representative of such Member be entitled to vote on the termination.
- (c) If a request for hearing is not received pursuant to Article 9.2(b) of the Bylaws and if the failure is not corrected within the time required by the Board's notice, or any extension of such time as the Board may grant, the Board may terminate the membership.
- (d) The Board shall provide the Member at least ten days prior written notice of the time and place of any requested hearing, and the proposed termination of membership may not take effect until such time after the conclusion of any hearing as the Board may set.

9.39.5 Termination of membership shall be in addition to any other remedy that may exist.

9.6 A Member shall lose all voting rights and any claim of title or interest to any asset of the Pool upon involuntary termination of its membership to the same extent as if the termination were voluntary. The coverage and payment of claims after the effective date of a Member's termination shall be consistent with the Agreement and these Bylaws.

9.49.7 Notwithstanding Article 9.6 an involuntarily terminated Member may have its equity interest restored by majority vote of the Board if the Member is approved for membership within 12 months of the termination.

## **ARTICLE 10. Dissolution and Disposition of Property.**

10.1 The Pool may be dissolved by the Members as provided in the Agreement. In the event of voluntary dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, including its contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are Members of the Pool at the time of dissolution. The Members of the Pool at the time the vote is held to dissolve the Pool shall continue to be considered Members of the Pool until the final disposition of property and dissolution of the Pool is complete.

- 10.2 Upon partial or complete dissolution of the Pool by the Members in accordance with the Agreement, the Board shall determine, consistent with these Bylaws, all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Directors.
- 10.3 The Board shall serve as directors for the disposition of property or funds, payment of obligations, dissolution and winding up of the affairs of the Pool. Any vacancy in the position of an elected Director after disposition of the Pool has begun may be filled by majority vote of the remaining Directors until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for the unexpired term.

#### **ARTICLE 11. Liability of Board, Officers and Employees.**

- 11.1 It is the intent of the Pool to provide the broadest possible immunity from personal liability to each Director, officer, and employee of the Pool allowed by applicable laws of the State of Utah including, but not limited to, the Governmental Immunity Act, the Corporations Code and the Insurance Code, as amended from time to time. The Pool shall defend and indemnify the Directors, officers and employees of the Pool against any and all expense, including attorney fees and liability expenses, sustained by them or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties to the fullest extent allowed by the laws of the State of Utah. The Pool shall purchase liability or other appropriate insurance or coverage as a Member of UCIP providing coverage for the Directors, officers and employees of the Pool. Nothing herein shall be deemed to prevent compromises of any litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.

#### **ARTICLE 12. Mandatory Pre-Litigation Mediation.**

- 12.1 To the extent permitted by any applicable reinsurance or excess insurance, if the Board or its authorized representative and a Member disagree on whether a loss is covered through the Pool or on the amount of a covered loss, the Board or its authorized representative or the Member may not file litigation until they have submitted to mediation as follows:
- (a) The Board or its authorized representative and the Member shall agree on the selection of the mediator. If the parties cannot agree within 30 days, the Board shall select the mediator.
  - (b) If mediation does not result in an agreement between the parties, the Board or its authorized representative and the Member can move forward to litigate the issue in accordance with Utah law and rules of procedure.
  - (c) Each party will pay the attorney's fees and expenses they incur and share the expenses of the mediator equally.

#### **ARTICLE 13. General Provisions.**

- 13.1 The laws of Utah shall govern the interpretation and performance of these Bylaws.
- 13.2 In the event that any portion of these Bylaws is held invalid or unenforceable, such invalidity or unenforceability shall not affect other portions, and these Bylaws are expressly declared to be severable.



- 13.3 These Bylaws do not relieve any Member of any obligation or responsibility imposed upon it by law except to the extent that actual and timely performance thereof by the Pool satisfies such obligation or responsibility.
- 13.4 All moneys received by the Pool are public funds, including earned interest, derived from its Members, which are counties and county related entities within the State of Utah.
- 13.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation. The Board and the Members shall cooperate in such respects, including amending these Bylaws, as reasonably necessary to establish and maintain the non-taxable status of the Pool.
- 13.6 Except as permitted in these Bylaws, the Agreement and amendments thereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 13.7 In the event of the payment of any loss by the Pool under the Agreement, the Pool shall be subrogated to the extent of such payments to all the rights of the Member against any other person or other entity legally responsible for damages for such loss, and in such event the Member agrees to render all reasonable assistance to effect recovery.

#### **ARTICLE 14. Conflict of Interest and Disclosure.**

- 14.1 Directors and the Chief Executive Officer shall not request, receive, or accept a gift or loan for themselves or another if:
- (a) It tends to influence the Director or the Chief Executive Officer in the discharge of his or her official acts as a Director or Chief Executive Officer; or
  - (b) She/he within two years has been involved in any official act directly affecting the donor or lender or knows that he/she will be involved in any official act directly affecting the donor or lender in connection with his or her membership on the Board or as the Chief Executive Officer.
- 14.2 The prohibition set forth in Section 1 above shall not apply to:
- (a) An occasional nonpecuniary gift, insignificant in value; or
  - (b) An award publicly presented in recognition of public service; or
  - (c) A commercially reasonable loan made in the ordinary course of business by an institution authorized by the laws of the state to engage in the business of making loans; or
  - (d) A political campaign contribution, provided that such gift or loan is actually used in a political campaign and is subject to Utah law regarding such gift or loans.

- 14.3 Directors shall disqualify themselves from participating in any official action of the Board that affects a business in which that Director has a financial interest as defined in Sections 67-16-8 and 67-16-9 Utah Code Annotated 1953 as amended.
- 14.4 Directors shall not acquire a financial interest at a time when they believe or have reason to believe that it will be directly affected by their official action on the Board.
- 14.5 Directors and the Chief Executive Officer shall not use or divulge to any person confidential information acquired by virtue of their membership on, or participation with, the Board for their or another's private gain. Confidential information for the purpose of this paragraph shall be defined as all information disclosed or discussed in any meeting of the Board which is confidential under law, statute or practice and which is otherwise not available to the public.
- 14.6 The Chief Executive Officer and Chief Financial Officer of the Pool and each Director shall complete a disclosure form provided by the Pool at the first meeting of the Board during each fund year, or at the first meeting attended by a new CEO, CFO or Director. That completed form shall affirm the person's awareness of this bylaw requirement and either state that no described conflicts exist, or make all required disclosures.
- 14.7 The information on the disclosures, except for the valuations attributed to the reported interests, shall be made available by the Secretary of the Board for inspection by any UCIP Member county representative. The valuation shall be confidential for all purposes except for proceedings for violation of the disclosure requirement of these bylaws.

#### **ARTICLE 15. Conflict of Interest of Defense Counsel.**

- 15.1 Defense provided to Members by the Pool under the Bylaws Coverage Addendum shall be provided by attorneys listed on the UCIP Defense Attorney list recommended by the Litigation Management Committee and approved by the Board of Directors.
- 15.2 As the UCIP defense counsel is provided to assist the County Attorney in fulfilling their statutory obligation to defend officers and employees of the county under U.C.A. 63G-7-902 and 17-18a-5-501, UCIP defense counsel must be approved by the Member County Attorney. If the Member County Attorney waives the use of UCIP defense counsel by not approving defense counsel selected by UCIP from the UCIP Defense Attorney list, UCIP will owe no obligation to provide defense counsel to the Member or any of its officers or employees.
- 15.3 Attorneys listed on the UCIP Defense Attorney list shall not represent or consult with any plaintiff in any civil action in which any defendant is a UCIP Member.
- 15.4 Attorneys employed by, or associated with, law firms listed on the UCIP Defense Attorney List shall not represent or consult with any party in a civil action adverse to any person or entity covered by UCIP.
- 15.5 Attorneys employed by, or associated with, law firms listed on the UCIP Defense Attorney List shall not represent or consult with any defendant in a criminal action prosecuted by the County Attorney's Office of any Member County.

- 15.6 Attorneys listed on the UCIP Defense attorney list shall not represent or consult with any elected official or employee of any Member County in their official or individual capacity without the express consent of UCIP. Attorneys listed on the UCIP Defense Attorney list shall agree that such consent may place them in a conflict of interest position which would exclude them from consideration of being assigned as defense counsel on actions filed against the elected official or the Member with which they serve.
- 15.7 Conflicts as described above may be waived only after full disclosure to, and written agreement of, the involved Member and UCIP.

**ARTICLE 16. Effective Date and Term.**

- 16.1 The effective date of these Bylaws is July 1, 2018 and shall remain in effect until amended by the UCIP Board of Directors in accordance with the Interlocal Agreement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



# OATH OF OFFICE

## STATE OF UTAH

I, \_\_\_\_\_, *having been elected or appointed to*  
Print Name

*the office of* \_\_\_\_\_

*do solemnly swear (or affirm) that I will support, obey and defend the Constitution of the United States and the Constitution of the State of Utah, and that I will discharge the duties of my office with fidelity.*

\_\_\_\_\_  
Signature

*State of Utah,*  
*County of* \_\_\_\_\_

*Subscribed and sworn to before me this* \_\_\_\_\_ *day of* \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
\*Person Administering Oath

\_\_\_\_\_  
Title

\*Utah Code § 78B-1-142: "Every court, every judge, clerk and deputy clerk of any court, every justice, every notary public, and every officer or person authorized to take testimony in any action or proceeding, or to decide upon evidence, has the power to administer oaths or affirmations."

File oath by sending to the entity required by law, which may be the county clerk, town clerk, town treasurer, city recorder, or clerk of the board of education.



# UTAH COUNTIES

INDEMNITY POOL

## MEMORANDUM

**TO:** UCIP Board of Directors  
**FROM:** Johnnie Miller  
**DATE:** 12/11/18  
**RE:** Public Officials Oath of Office Bonds

UCIP and many of its members have been involved with answering a significant number of GRAMA requests related to Oaths of Office and Bonds for county officers. Through this process a concern has been raised as to the need for public officers to have an Oath of Office Bond to cover their misfeasance or malfeasance of office.

Almost all public agencies in the state use crime and theft coverage to protect against financial fraud, as do all the UCIP members. The argument being made is twofold, first that the individual official is not penalized by the crime and theft coverage, and secondly that a crime or theft policy would not respond to an official that fails in their official duties in some manner other than financial fraud.

The legislature has made changes to the statutes regarding bonds over the last decade, which include removing any individual penalty against an elected official for violating their official duties. Without action by the legislature, the first issue cannot be addressed by UCIP.

The second concern is also a result of legislative changes. The legislature has prohibited a surety from being indemnified for their loss on a bond by the individual official or the government agency they serve. A bond specifically requires an indemnity who agrees to make the surety whole for their loss prior to the bond being issued. Because of Utah's statutory prohibitions, sureties will not issue public official bonds to Utah government officials.

If the Board would like to offer members Public Officials Oath of Office Bonds, UCIP could accomplish that in a couple of ways:

1. UCIP could agree to be the indemnity on the bonds. The problem with this option is that to have UCIP be the indemnity, the bonds would have to be issued as blanket position bonds, rather than individual bonds on each official. This option will likely not satisfy those that argue an individual bond is required.
2. UCIP could utilize option #1, but UCIP would issue individual bonds to every elected/appointed official. If a loss occurs, the surety would pay the bond to the county, who would turn over the proceeds to UCIP to use to indemnify the surety.

3. UCIP could issue individual bonds for every elected/appointed official and pay the bond amount to the county in the event of loss.

Both options #2 and #3 would require significant administrative oversight to assure bonds are issued and terminated with every change of any elected/appointed official. This would include all elected officials of the county and all their deputies, Planning and Zoning Commission members, Special Service District board members, interlocal agency board members...

Part of the original purpose for public official bond requirements was to create a mechanism to remove an official from office if they violate their oath of office, without a drawn-out legal process. Once a claim is made against a bond, it is immediately terminated. The official then needs to secure a new bond to file with the government agency. Sureties will not issue a bond to an official who has already violated their oath of office once, so the official cannot meet the statutory requirement to file a bond. Under statutory provisions, a judge must declare an office vacant if the official in that office does not have the bond on file with the government agency. By issuing bonds, UCIP would create the responsibility to determine if an official accused of violating their oath of office would maintain their office or be removed from their office. This is a significant policy decision for the Board to consider.

I have reached out to legislators to see if they intend to make any changes to the bond statutes to clarify them. I have not received any clear response. The question here is whether UCIP wants to move forward with a program to assist the counties with being more clearly in compliance with the statute when it seems a very few citizens are concerned about the issue.

JRM/jrm

# UTAH COUNTIES INDEMNITY POOL

## 2019 Contributions

|            |                    |  |                 |
|------------|--------------------|--|-----------------|
| Beaver     | \$167,036          | Beaver County Municipal Building Authority                       | \$32,889        |
| Box Elder  | \$324,196          | Box Elder Redevelopment Agency                                   | \$6,251         |
| Daggett    | \$51,067           | Canyon Land Improvement District                                 | \$1,874         |
| Davis      | \$847,278          | Central Utah Public Health Department                            | \$24,440        |
| Duchesne   | \$282,746          | Daggett County Redevelopment Agency                              | \$1,863         |
| Emery      | \$200,171          | Duchesne County Municipal Building Authority                     | \$2,448         |
| Garfield   | \$139,404          | Duchesne/Wasatch Bluebench Landfill Special Service District     | \$6,882         |
| Iron       | \$328,734          | Emery County Municipal Building Authority                        | \$2,457         |
| Juab       | \$147,955          | Five County Association of Governments                           | \$23,398        |
| Kane       | \$175,900          | Grand Emergency Medical Services Special Service District        | \$12,051        |
| Millard    | \$257,275          | Iron Special Service District #1                                 | \$13,164        |
| Morgan     | \$74,192           | Juab Special Service District #2                                 | \$2,443         |
| Piute      | \$33,153           | Juab Special Service Fire District                               | \$26,338        |
| Rich       | \$39,832           | Kane County Municipal Building Authority                         | \$2,464         |
| San Juan   | \$218,922          | Kane County Recreation & Transportation Special Service District | \$1,866         |
| Sanpete    | \$178,462          | Piute County Municipal Building Authority                        | \$2,417         |
| Sevier     | \$217,414          | Piute Special Service District #1                                | \$2,430         |
| Uintah     | \$403,289          | San Juan Spanish Valley Special Service District                 | \$2,425         |
| Wasatch    | \$294,558          | San Juan Transportation Special Service District                 | \$1,226         |
| Washington | \$600,314          | Seven County Infrastructure Coalition                            | \$1,421         |
| Wayne      | \$47,461           | Sevier County Municipal Building Authority                       | \$2,423         |
| Weber      | \$1,233,708        | Southeastern Utah District Health Department                     | \$23,256        |
|            | <u>\$6,263,067</u> | Southwest Utah Public Health Department                          | \$37,900        |
|            |                    | TriCounty Health Department                                      | \$18,899        |
|            |                    | Uintah County Municipal Building Authority                       | \$2,541         |
|            |                    | Utah Counties Indemnity Pool                                     | \$3,658         |
|            |                    | Wasatch Health Department  | \$9,482         |
|            |                    | Wasatch County Parks & Recreation Special Service District #21   | \$19,176        |
|            |                    | Wasatch County Solid Waste Disposal District                     | \$18,407        |
|            |                    | Wasatch County Special Service Area #1                           | \$3,798         |
|            |                    | Wasatch County Special Service District #9                       | \$3,124         |
|            |                    | Washington County Municipal Building Authority                   | \$2,426         |
|            |                    | Washington County St George Interlocal Agency                    | \$63,527        |
|            |                    | Wayne County Municipal Building Authority                        | \$2,424         |
|            |                    | Wayne County Special Service District #1                         | \$2,434         |
|            |                    | Wayne County Special Service District #3                         | \$6,844         |
|            |                    | Wayne County Water Conservancy District                          | \$2,410         |
|            |                    | Weber County Municipal Building Authority                        | \$2,597         |
|            |                    | Weber Human Services   | \$54,900        |
|            |                    | Weber-Morgan Health Department                                   | <u>\$47,563</u> |
| TOTAL:     | \$6,761,601        |  | \$498,534       |





# County Reinsurance, Limited

## Liability Reinsurance Renewal Summary

### Reinsurance Structure

|                            |  |
|----------------------------|--|
| Ceding Entity:             | Utah Counties Indemnity Pool   |
| Ceding Entity's Limit:     | Up to \$5,000,000 Limit (see attached member limits for details)   |
| Ceding Entity's Retention: | \$250,000 per occurrence<br>\$250,000 per occurrence (Cyber)   |
| Reinsurance Limit:         | Up to 100% of \$4,750,000 excess of \$250,000  |
| Method:                    | Expenses outside the limit of liability, but capped at \$1,000,000<br>Deductibles exclusive of the retention |
| Cyber Aggregates:          | \$20M program aggregate excess of \$1M   |

### Premium & Coverage Summary

|                             |  |  |
|-----------------------------|--|--|
| <b>Total Premium:</b>       | <b>\$1,086,873</b>                         |  |
| General Liability:          | \$109,448                                  | <i>*Includes Employee Benefits Liability, if applicable</i>    |
| Public Officials Liability: | \$214,137                                  | <i>*Includes Employment Practices Liability, if applicable</i> |
| Law Enforcement Liability:  | \$370,438                                  |  |
| Auto Liability:             | \$259,545                                  |  |
| Cyber Liability:            | \$19,587                                   |  |
| Clash Coverage:             | \$29,250                                   |  |
| Additional Defense:         | \$42,911                                   |  |
| Terrorism Liability:        | \$10,453                                   |  |
| Minimum Premiums:           | \$31,103                                   |  |
| Contingency:                | Receipt of Iron County's cyber application |  |

### Certificate Summary

|                      |  |
|----------------------|--|
| Certificate Version: | CRL Liability Certificate Approved 12-21-17              |
| Endorsements:        | Schedule of Members and Limits<br>Dam Exclusion 12-21-17 |



**GOVERNMENT CRIME  
POLICY DECLARATIONS**

**CRIME AND FIDELITY**  
**CR DS 04 08 07**  
**POLICY NUMBER:**  
**04-650-00-85**  
**REPLACEMENT OF**  
**POLICY NUMBER:**  
**03-877-85-11**

In Return For The Payment Of The Premium, And Subject To All The Terms And Conditions Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy.

**Coverage Is Written:**

☒ **Primary**      ☐ **Excess**      ☐ **Coindemnity**      ☐ **Concurrent**

|                            |  |
|----------------------------|--|
| <b>Company Name Area:</b>  | <i>National Union Fire Insurance Company of Pittsburgh, Pa.</i>  |
| <b>Producer Name Area:</b> | <i>ARTHUR J. GALLAGHER &amp; CO. INSURANCE BROKERS OF CAL<br/>18201 VON KARMAN AVENUE<br/>SUITE 200<br/>IRVINE, CA 92612</i> |
| <b>Named Insured:</b>      | <i>UTAH COUNTIES INDEMNITY POOL</i>  |
|                            | (including any Employee Welfare or Benefit Plans)  |
| <b>Mailing Address:</b>    | <i>5397 S VINE STREET<br/>MURRAY, UT 84087-6757</i>  |
| <b>Policy Period</b>       |  |
| <b>From:</b>               | <i>January 1, 2018</i>   |
| <b>To:</b>                 | <i>January 1, 2019</i> 12:01 A.M. at your mailing address shown above.   |

| Insurance Agreements  | Limit of Insurance<br>Per Occurrence | Deductible Amount<br>Per Occurrence |
|---|--------------------------------------|-------------------------------------|
| 1. Employee Theft - Per Loss Coverage                               | \$2,500,000                          | \$250,000                           |
| 2. Employee Theft - Per Employee Coverage                           | Not Covered                          | Not Covered                         |
| 3. Forgery Or Alteration  | \$2,500,000                          | \$250,000                           |
| 4. Inside The Premises - Theft Of Money And Securities              | \$2,500,000                          | \$250,000                           |
| 5. Inside The Premises - Robbery Or Safe Burglary Of Other Property | \$2,500,000                          | \$250,000                           |
| 6. Outside The Premises   | \$2,500,000                          | \$250,000                           |
| 7. Computer Fraud   | \$2,500,000                          | \$250,000                           |
| 8. Funds Transfer Fraud   | \$2,500,000                          | \$250,000                           |
| 9. Money Orders And Counterfeit Money                               | \$2,500,000                          | \$250,000                           |

If "Not Covered" is inserted above opposite any Insuring Agreement, such Insuring Agreement and any other reference thereto in this policy is deleted.

1401096

GOVERNMENT CRIME  
POLICY DECLARATIONS

CRIME AND FIDELITY  
CR DS 04 08 07  
POLICY NUMBER:  
04-650-00-85  
REPLACEMENT OF  
POLICY NUMBER:  
03-877-85-11

Endorsements Forming Part Of This Policy When Issued:  
#1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #15

Cancellation Of Prior Insurance Issued By Us:

By acceptance of this Policy you give us notice cancelling prior policy Nos. 03-588-60-26; the cancellation to be effective at the time this Policy becomes effective.

Premium: \$26,654

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

IN WITNESS WHEREOF, the Insurer has caused this Policy to be signed by its President, Secretary and Authorized Representative. This Policy shall not be valid unless signed below at the time of issuance by an authorized representative of the insurer.



PRESIDENT



SECRETARY



AUTHORIZED REPRESENTATIVE

1401096

## Memorandum

To: UCIP Board of Directors  
From: Johnnie Miller  
Date: December 20, 2018  
RE: 2019 Workers Compensation Joint Purchase Program Renewal

Attached is the renewal summary for UCIP's joint purchase program for workers compensation with WCF Insurance. Total renewal premium for the program is \$2,004,490. Last year's renewal premium was \$1,849,251. The increase in premium is \$67,555 or an increase of .03%. The increase in premium is attributed to new members, increases in payroll and increases in Experience Modification Factors (EMOD). The increase is softened by rate decreases in each of the employee classifications and a higher size discount for UCIP's program. Overall, the renewal indication is below the adjusted cost in 2018.

When underwriting new membership, it is clear that WCF's rates are lower than competitor's. However, some competitors manipulate the experience mod to give the appearance their rates are lower.

This program has been very successful since its implementation in 2009. Members have received over \$1,000,000 in dividends, which is an average of 9.2% of direct earned premium each year.

JRM/sjw

**UTAH COUNTIES INDEMNITY POOL**  
**2019 Workers Compensation Premiums**

|            |                 |   |           |
|------------|-----------------|---|-----------|
| Beaver     | \$35,342        | Five County Association of Governments                    | \$18,019  |
| Box Elder  | \$185,991       | Grand Emergency Medical Services Special Service District | \$36,647  |
| Daggett    | \$8,588         | Juab Special Service Fire District                        | \$5,728   |
| Duchesne   | \$68,153        | Utah Counties Indemnity Pool                              | \$666     |
| Garfield   | \$41,269        | Weber Human Services                                      | \$111,665 |
| Iron       | \$93,330        | Wayne Special Service District #3                         | \$344     |
| Juab       | \$68,173        |   | <hr/>     |
| Kane       | \$54,229        |   | \$173,069 |
| Millard    | \$86,357        |   |           |
| Morgan     | \$20,244        |   |           |
| Piute      | \$7,615         |   |           |
| Rich       | \$11,739        |   |           |
| San Juan   | \$55,836        |   |           |
| Sanpete    | \$24,201        |   |           |
| Sevier     | \$48,057        |   |           |
| Uintah     | \$190,769       |   |           |
| Washington | \$229,615       |   |           |
| Wayne      | \$9,973         |   |           |
| Weber      | \$591,940       |   |           |
|            | <hr/>           |   |           |
|            | \$1,831,421     |   |           |
| <br>Total: | <br>\$2,004,490 |   |           |



**MEMORANDUM**

**TO: UCIP Board of Directors**  
**FROM: Johnnie Miller**  
**DATE: 12/11/18**  
**RE: Local GovU Renewal**

I have negotiated terms for renewal of our on-line training services with Local GovU. Local GovU recently implemented a significant upgrade to their on-line system, added several new training videos and made it easier for us to create our own Utah specific training modules on their system.

UCIP purchased approximately 1,500 courses for this program in the first year, with about 300 courses unused at the end of the year, which were rolled over into the second year, 2018. Because of the increased usage in the last few months of 2017 and to achieve a better rate per course, UCIP purchased 3,500 courses for 2018. As of December 1<sup>st</sup>, there were less than 50 course credits left on the UCIP account. Usage was running about 300 courses per month, but we have seen a significant increase in usage in the last three months. This is likely due to several counties implementing the training program who had not utilized it in the past. Those counties that do use the program highly recommend it to others.

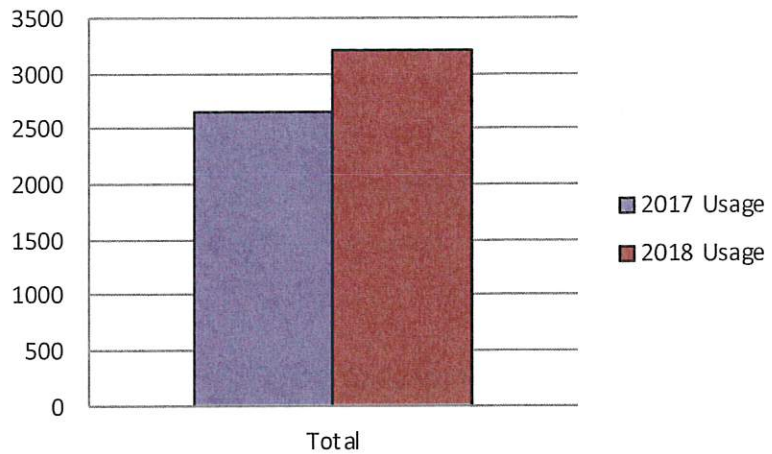
Based on the increasing usage, and potential usage by law enforcement in 2019, staff recommends continuing the program by purchasing 5,000 courses. That volume of courses allows us to reduce the rate per course from the \$5.75 cost in 2018 to \$4.75 per course in 2019. That lower rate would be used if we need to purchase additional courses later in the year. Purchasing fewer courses increases the per course cost, and staff calculates the 5,000-course level the best value based on Local GovU's pricing structure and UCIP's needs. Total cost for system access charge and 5,000 courses is \$28,750. This is an increase of \$8,500 from 2018. The 2019 budget for loss control training is adequate to cover this expense.

Staff recommends continuing the Local GovU On-line Training Program with a renewal of 5,000 course credits for 2019.

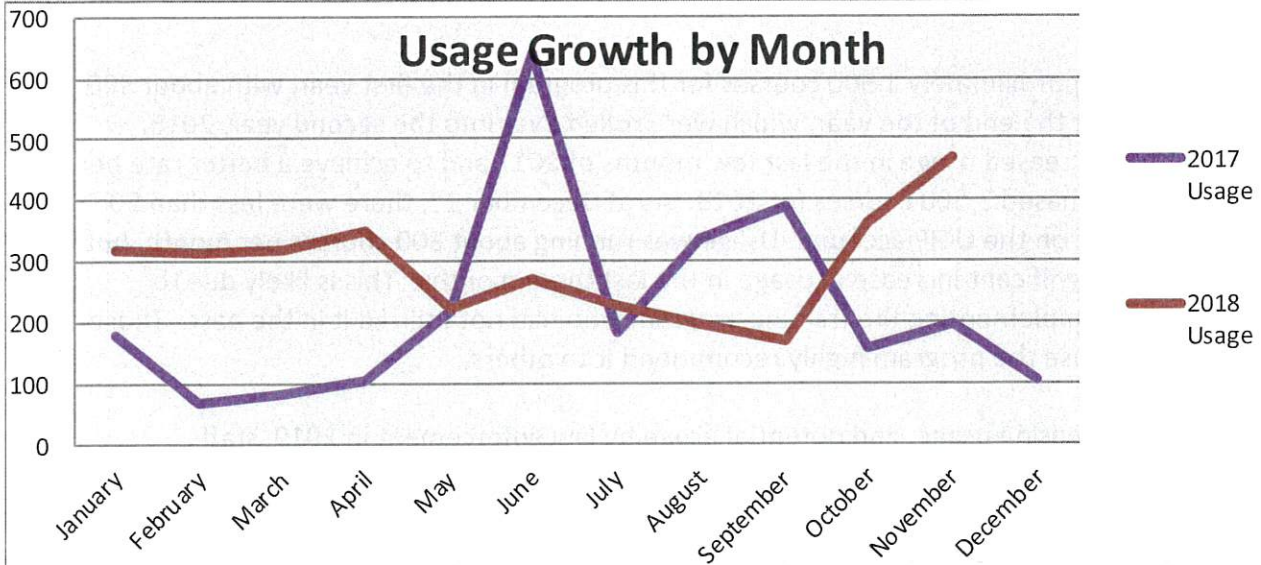
JRM/jrm

|              | 2017<br>Usage | 2018<br>Usage |
|--------------|---------------|---------------|
| January      | 179           | 317           |
| February     | 67            | 315           |
| March        | 81            | 318           |
| April        | 102           | 348           |
| May          | 217           | 223           |
| June         | 640           | 270           |
| July         | 183           | 227           |
| August       | 335           | 195           |
| September    | 386           | 168           |
| October      | 158           | 360           |
| November     | 196           | 468           |
| December     | 104           |               |
| <b>Total</b> | <b>2648</b>   | <b>3209</b>   |

### Total Growth by Year



### Usage Growth by Month



### UCIP Membership Application Summary

---

Name of Entity: Elk Meadows Special Service District

Sponsoring County: Beaver County

Type of Membership Applied for: Non-Equity

Enabling Statutes and Services Provided: 17-A-2-1301 and 17-D-1-101. Provide water to individuals and businesses within district boundaries; maintain roads within district.

Risk Factors:

Property - \$875,005

Auto - \$75,000

Board/Employees - 12

Expenditures- \$429,300

Loss History - Unavailable

Additional Notes:

Proposed Liability Limits: \$5,000,000

Current Liability Limits: \$2,000,000

UCIP Annual Contribution: \$7,253

Current Insurance Premium: \$ Unavailable

Staff Recommendation: Approval of Membership with clarification of their understanding of governmental pooling concepts.



## UTAH COUNTIES INDEMNITY POOL

### PERSONNEL POLICY

#### PURPOSE

Utah Counties Indemnity Pool (UCIP) is a political subdivision of the State of Utah, governed by the UCIP Board of Directors (Board), operating under the laws of the State of Utah. The Board has adopted this Personnel Policy to identify the rights, privileges, obligations and responsibilities of employment with UCIP and to provide the Board and UCIP management with clear direction in dealing consistently with all employees in the following areas:

- Recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge, and skill levels, including open consideration of qualified applicants for employment;
- Providing equitable and adequate compensation and benefits;
- Training employees as needed to assure high quality performance and to provide the employee with the skills needed to meet the performance standards of their position;
- Retaining employees on the basis of the adequacy of their performance, correcting inadequate performance, and terminating employees whose inadequate performance cannot be corrected in a timely manner, or whose actions are of a type or severity as to require termination without attempting correction;
- Assuring non-discrimination for applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religion, age or disability and with proper regard for their privacy and constitutional rights;
- Providing a formal procedure for processing appeals and grievances of employees without discrimination, coercion, restraint, or reprisal;
- Assuring that all dealings with applicants and employees are conducted in compliance with all State and Federal laws; and
- All other actions dealing with employees to assure that UCIP provides a safe, productive, professional workplace to all employees.

## **AUTHORITY**

The UCIP Board of Directors establishes the policies and procedures that are outlined in this Policy under the authority granted to it under the UCIP Interlocal Agreement. The Board may alter, amend, or supplement these policies and procedures at any time.

## **SCOPE**

These policies and procedures apply to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.



## **SECTION I - GENERAL PROVISIONS**

### **A. Employee Receipt of Policy**

The Chief Executive Officer shall assure that this Personnel Policy is provided to every employee of the Pool with reasonable training on all requirements, restrictions, limitations and benefits enumerated in this Policy. The Chief Executive Officer shall assure this Policy is reviewed with each employee at hire and annually, and that all training required or indicated in the Policy is provided. Each employee shall be required to sign the Receipt of Personnel Policy provided in Appendix I at the time of such review, and such receipt shall be filed and maintained in the employee's personnel file.

### **B. Savings Clause**

If any provision of these policies and procedures, or the application thereof, is found to be in conflict with any State or Federal law or regulation, these policies and procedures shall be considered amended to the extent necessary to comply with such law or regulation.

### **C. Protection of Personal Information**

UCIP will take reasonable steps to protect the personal information of its employees and all other persons in its possession in compliance with all applicable State and Federal laws related to the protection of personal identification information and personal health information.

UCIP has signed the Electronic Trading Partner Agreement with the Utah Retirement Systems. As a condition of this Agreement, UCIP has adopted the following policy statement: UCIP will prevent the improper use or disclosure of personal information regarding its employees' status, contributions and/or benefits, or any other personal information arising from enrollment or participation in the Utah Retirement Systems.

### **D. Non-Discrimination**

UCIP is an equal opportunity employer. UCIP will comply with Federal and State non-discrimination laws with respect to employment on the basis of race, color, national origin, sex, age, disability, religion or other protected status under State or Federal law. UCIP will comply with Title VII, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act and other applicable laws relating to non-discrimination in employment.

Employment at UCIP will be based upon the applicant or employee's relative ability, knowledge, and skill levels, and ability to perform the essential functions of the job.

E. **Nepotism**

UCIP will comply with ~~Sections~~ Utah Code Ann. §52-3-1 to §52-3-4, 1953, as amended regarding the employment of relatives.

If because of marriage, promotion, reorganization or other reason, it appears that a conflict with Utah law or this Policy appears to exist, the Chief Executive Officer, and the Board of Directors shall review the matter.

If it is determined that a conflict exists, resignation or reassignment of one of the relatives may be required.

F. **Employment Classifications**

UCIP employment classifications are generally designated as either full-time or part-time positions. Each job description shall state whether the position is a full-time, part-time, or temporary position and if it is an exempt or non-exempt position for purposes of the Fair Labor Standards Act (FLSA).

An employee's classification determines the level of discretionary benefits for which the employee is eligible.

1. Full-Time Positions. Employees, who work thirty (30) or more hours per week in a permanent position (1560 hours or more annually), are full-time employees.
2. Part-Time Positions: Employees who work less than thirty (30) hours per week on a continuous or recurring basis (1559 hours or less annually) are part-time employees.
3. Temporary Positions: Employees hired on a project basis. Any single project may not exceed 40 hours of work during a period not to exceed 30 days.

All new and rehired employees will work on an introductory basis for the first 90 calendar days after their date of hire or rehire. The introductory period is intended to give new or returning employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. UCIP management will use this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or UCIP may end the employment relationship at will at any time during the introductory period, with or without cause or advance notice.

G. **Fair Labor Standards Act (FLSA)**

UCIP will comply with all applicable provisions of the FLSA. All position descriptions will identify the position classification as exempt or non-exempt according to FLSA definitions.



#### H. **Family Medical Leave Act (FMLA)**

As a small employer, UCIP is exempt from the provisions of the FMLA.

#### I. **Payroll Procedures**

Paydays will be twice a month, on the fifteenth and the last day of the month. If a payday falls on a Saturday, Sunday, or legal Holiday, UCIP will pay wages earned during the pay period on the day preceding the Saturday, Sunday, or legal Holiday.

#### J. **Reimbursement of UCIP Business Expenses**

UCIP will pay or reimburse employees for expenses associated with authorized UCIP business in accordance with UCIP Expense Reimbursement Policy adopted by the Board of Directors. The rates or amounts paid or reimbursed will be determined from time to time by the UCIP Board of Directors and documented in the Expense Reimbursement Policy.

#### K. **UCIP Business Credit Cards**

The UCIP Board of Directors has approved the ~~use-issuance~~ of UCIP Business Credit Cards ~~by-to~~ the Chief Executive Officer and Chief Financial Officer, who regularly incur business expenses as part of their duties. UCIP Business Credit Cards are for use of authorized business travel expenses and other authorized business expenses. Employees using UCIP Business Credit Cards must submit documentation of the charges in the form of written receipts to the Chief Financial Officer on a monthly basis. Each receipt should include documentation of the business purpose of the expense. All UCIP Business Credit Card transactions will be reviewed and approved by the UCIP Board of Directors. An employee will reimburse UCIP for any expenses not approved by the UCIP Board of Directors as legitimate business expenses. Such expenses that are not reimbursed to UCIP within 30 days of notice to the employee by the Board may be deducted from the employees pay at the discretion of the ~~Chief Executive Officer~~ Audit Committee Chair.

#### L. **Outside Employment**

No UCIP employees may engage in any outside employment (including self-employment) or activity that, in the opinion of the Chief Executive Officer, might impair the performance of their duties or is detrimental to UCIP member service. Employees must notify the Chief Executive Officer of outside employment prior to engaging in such employment, or at any time that the terms of outside employment changes.

## M. **Work Hours**

All full-time employees are expected to work their assigned schedule. Work hours for part-time employees will be determined by the employee's supervisor.

1. Hours are weekdays from 8:00 a.m. until 4:30 p.m. After Memorial Day and prior to Labor Day of each year, the Chief Executive Officer may implement at their discretion a "summer flex hours" program. A flex hour program shall not exceed a program of employees working 10 hours a day for four days a week, and in no case shall a flex hour program create the need for payment of overtime to any employee. The Chief Executive Officer may make changes to the flex hour program at any time at their sole discretion.
2. Each employee will be allowed a thirty minute lunch period. An employee's lunch time may exceed thirty minutes as authorized by the Chief Executive Officer. Employees are expected to coordinate with other employees and their supervisors to assure the office is appropriately staffed for receiving guests and phone calls throughout the work day. Employees are normally expected to be present during all other work hours unless special arrangements are made with the Chief Executive Officer from time to time for cause.
3. Generally, employees are not allowed to skip their lunch break to leave work early.

## N. **Absence Without Leave**

No employee may be absent from duty without permission. All employees should notify their supervisor, the Chief Financial Officer, or the Chief Executive Officer prior to an absence. In emergency situations where prior notification is not possible, the employee should provide notification as soon as possible.

If a pattern (two or more) of unexplained or unexcused absences develops, employees may be subject to a discipline, up to and including termination.

## O. **Terminating Employment**

An employee's employment with UCIP may terminate in the following ways:

1. **Resignation.** Employees may resign at any time. However, as a courtesy, UCIP requests that employees give a minimum two weeks written notice so that UCIP has time to prepare final paperwork and arrange to assure minimal disruption to member service. Any earned and or accrued Vacation and Sick leave will be paid at the time of resignation in accordance with Vacation and Sick leave policies and procedures of this Policy;
2. **De-facto Resignation.** Employees who are absent from work for three consecutive days and are capable of providing notice to their supervisor, but fail to do so, are considered to have voluntarily resigned; or

3. **Involuntary Termination.** UCIP may terminate an employee's employment at any time.

Any employee who is terminated through de-facto resignation or involuntary termination shall be provided access to the Grievance and Appeal Process in accordance with this policy.

P. **Termination Pay**

Employees who leave UCIP service for any reason will be paid the wages due them at the next regularly scheduled payday. UCIP will pay earned and accrued Vacation and Sick leave due the employee based on the Vacation and Sick leave policies and procedures of this Policy in effect at the time of termination, which will also be paid at the next regularly scheduled payday.



## SECTION II - COMPENSATION

All compensation provided to UCIP employees will be determined or approved by the UCIP Board of Directors. The UCIP Board may alter, amend, or supplement these policies and procedures at any time to the extent allowed by law.

### A. Wages

It is the intent of UCIP to provide its employees with wages competitive with other similar employers in the Salt Lake County area and with other similar governmental risk pools. Employee wages will be determined by the UCIP Board of Directors and may be set based on analysis of wages for similar employers in the Salt Lake County area, similar governmental risk pool employers and in consideration of other benefits provided to similar employees to recognize the value of each employee's total compensation package.

### B. ~~Auto and Cell Phone~~ Allowances

The UCIP Board of Directors has approved an Auto Allowance ~~and Cell Phone Allowance~~ at a rates identified rate identified below to be paid to specific employees that regularly use their personal vehicle for travel ~~or personal cell phone~~ for authorized UCIP business. The Auto Allowance ~~and Cell Phone Allowance are is~~ considered income for purposes of taxable ~~income, and income and~~ will be reported by UCIP as taxable income paid to the employee.

Auto Allowance is approved for the Chief Executive Officer at a rate of \$750 per month.

~~Cell Phone Allowance is approved for the Chief Executive Officer, the Chief Financial Officer and the Claims Manager at a rate of \$75 per month.~~

### C. Cost of Living Adjustment (COLA)

Adjustments to wages related to cost of living are recommended by the Chief Executive Officer, and approved at the sole discretion of the UCIP Board of Directors.

1. Employee salaries may be adjusted annually to protect them from inflation of the local economy. COLA will be paid only if funds are available in the budget, and at the sole discretion of the Board of Directors.
2. The UCIP Board of Directors may consider in part the percentage increase (if any) of the U.S. Department of Labor, Consumer Price Index for the Western Region as reported in October of each year, when considering any COLA type wage adjustment.



D. **Merit Wage Increases**

Merit adjustments to wages may be recommended by the Chief Executive Officer and may be approved at the sole discretion of the UCIP Board of Directors.

1. Merit wage increases for employees may be considered on the basis of individual performance and performance of UCIP as an organization.
2. Merit wage increases may only be granted upon recommendation of the Chief Executive Officer and approval of the Board of Directors.
3. The effective date of any merit increase shall be the first pay period of the calendar year, unless otherwise authorized by the Board of Directors.

E. **Bonuses**

It is the policy of the UCIP Board of Directors not to provide bonuses to its employees.

F. **Director/Employee Award**

Director/Employee awards may be recommended by the Chief Executive Officer in appreciation of efforts on behalf of UCIP. All ~~employee~~-awards ~~must~~shall be approved by, and at the sole discretion of, the UCIP Board of Directors. The value of director/employee awards may not exceed \$250 per employee annually.

### SECTION III - DISCRETIONARY BENEFITS

**The UCIP Board of Directors may add, alter or eliminate discretionary benefits at its discretion.**

UCIP provides a variety of benefits to eligible employees dependent on their employee classification. Full-time employees are eligible for all discretionary benefits described in this Section, unless specifically excluded. Part-time employees are eligible for discretionary benefits as described throughout this Section to the extent identified. Temporary employees are not eligible for any discretionary benefits unless required by law.

#### A. Retirement

1. In order to help its full-time and part-time employees plan and prepare for retirement, UCIP participates in the Local Government Public Employees' Noncontributory Retirement System administered by the Utah Retirement Systems (URS), as set forth in Utah Code Ann. §49-13-101 et. seq., 1953 as amended. UCIP contributions to the URS Local Government Public Employees' Noncontributory Retirement System are made in addition to, and not deducted from, eligible employee's regular pay. Eligibility of part time employees will be determined by the rules of the URS plans.
2. UCIP will provide matching contributions to the URS 401(k) Plan, the URS 457(b) Plan and/or the Nationwide 457(b) Plan. Employees who contribute into individual retirement accounts through payroll deduction will receive matching contributions from UCIP. All matching contributions will be deposited into the URS 401(k) Plan, the URS 457(b) Plan, and/or the Nationwide 457(b) Plan at the employee's discretion. The total UCIP matching contributions shall not exceed five percent of the employee's eligible payroll. Employees will be allowed to have additional amounts deducted from their regular pay to contribute to these plans, based on the policies of each plan.

#### B. Medical, Life and Disability Group Insurance

UCIP will provide the following life and health benefits to full-time employees and to part-time employees as described:

##### 1. Health Insurance

For the UCIP sponsored group health insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

2. **Dental Insurance**

For the UCIP sponsored group dental insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

3. **Vision Insurance**

For the UCIP sponsored group vision insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

4. **Group Term Life**

The UCIP sponsored group term life coverage is available to full-time employees only. UCIP pays 100% of the monthly premiums for \$50,000 coverage for the employee and 100% of the monthly premium for \$10,000 coverage for the employee's spouse and eligible dependents.

5. **Long Term Disability** (covers employees only)

For the UCIP sponsored group Long Term Disability coverage, UCIP utilizes the Public Employees' Long Term Disability Fund to provide a benefit for lost wage replacement for employees in the event of a long term disability. UCIP pays 100% of contributions to the Fund created under the Public Employees' Long Term Disability Act, Utah Code Ann. §49-21-101 et. seq. 1953 as amended (the Act).

The cost of optional coverage and amounts above the basic package are the responsibility of the employee.

Medical, life and disability group benefits are provided to promote the health and wellbeing of UCIP employees which also benefits UCIP by making its employees more productive. Employees who opt out of any medical, life or disability benefit will not receive compensation in lieu of the benefit.



### C. **Health Reimbursement Arrangement**

The UCIP Board of Trustees has adopted a Health Reimbursement Arrangement (HRA) in accordance with Internal Revenue Service Rules.

1. For each calendar month a full-time employee scheduled to work 1040 or more hours annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), \$50 up to a maximum of \$600 per year.
2. For each calendar month a part-time employee scheduled to work less than 1040 annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), \$25 up to a maximum of \$300 per year.
3. Unused amounts in the HRA at the end of the calendar year can be carried forward for reimbursement in later years.
4. Employees may request to be reimbursed the cost of a qualified medical expense, as defined in Section 213(d) of the IRS Code. The qualified medical expense must have been incurred on or after the date an employee is enrolled in the HRA program and prior to the employee's termination from employment.
5. Employees terminated from employment must submit a valid reimbursement request within 60 days of the date of termination from employment.

### D. **Holidays**

UCIP will provide the following paid Holidays to full-time employees only.

The first day of January – New Year's Day

The third Monday of January – Martin Luther King Day

The third Monday of February – Presidents' Day

The last Monday of May – Memorial Day

The 4<sup>th</sup> of July – Independence Day

The 24<sup>th</sup> of July – Pioneer Day

The first Monday of September – Labor Day

The second Monday of October – Columbus Day

~~The 11<sup>th</sup> of November – Veteran's Day~~

The fourth Thursday and Friday of November – Thanksgiving Day

The 24<sup>th</sup> and 25<sup>th</sup> of December – Christmas Day

When a paid Holiday falls on a Saturday, the paid Holiday will be observed on the Friday preceding the Holiday. When a paid Holiday falls on Sunday, the paid Holiday will be observed on the Monday following.

Should a paid Holiday occur while an employee is on Vacation, the employee will not be charged with Vacation on the day of the paid Holiday.

To be eligible for Holiday pay an employee must work the regular scheduled day prior to the Holiday, or the first regular scheduled day after the Holiday, or be on an authorized paid leave using Vacation pay, Sick leave pay, FMLA or USERRA.

If the Chief Executive Officer requests an employee to work on a scheduled paid Holiday the employee may choose to be paid at time and one-half for the hours worked on the paid Holiday, or use the day as a floating Holiday to be used prior to the end of the calendar year.

#### E. **Vacation**

Vacation leave is provided to allow employees a break from their work duties to rest and reinvigorate. UCIP may require employees in fraud sensitive positions to take a minimum number of days of Vacation per year. It is UCIP's intent to incent employees to use Vacation leave in the year it is earned. A policy to carry over Vacation leave is provided to allow employees to plan for extended Vacations, and is not meant as a means for employees to "bank" significant Vacation leave. It is also UCIP's intent to incent employees to use Vacation leave in blocks of several days, rather than a day or two at a time. UCIP will provide paid Vacation to employees according to the following:

1. Full-time employees with less than five years of service earn Vacation leave at the rate of four hours of Vacation leave for every full pay period worked, not to exceed 96 hours per calendar year. Full-time employees with more than five but less than ten years of service earn five hours of Vacation for every full pay period worked, not to exceed 120 hours per calendar year, ~~and if~~ Full-time employees with ten years of service and over earn 6.68 hours of Vacation for every full pay period worked, not to exceed 160 hours per calendar year.
2. Part-time employees scheduled to work less than 1,040 hours annually earn Vacation leave and are limited by the calendar year maximum at one-half the rate of a full-time employee.
3. Vacation leave may be advanced to employees with the approval of the Chief Executive Officer. Advanced Vacation leave requests totaling more than five days must be submitted to the UCIP Board of Directors for approval. Advanced Vacation leave not earned prior to a termination will be deducted from the employee's final pay check.



4. At the discretion of the Chief Executive Officer an employee may be allowed to be paid out all or part of their earned Vacation leave, at the current rate of pay.
5. Vacation hours may be carried forward to succeeding years. However, no more than 360 hours may be carried forward to succeeding years. All accumulated Vacation leave in excess of 360 hours at the end of the calendar year will be paid to the employee at the current rate of pay at the last pay period at the end of the calendar year.
6. Vacation leave may be used in increments of no less than one half (½) hour.
7. Employees may generally use their Vacation leave anytime; however, to assure quality of member service, all Vacation leave must be approved in advance by the employee's supervisor. To allow adequate time for the supervisor to consider requests for Vacation leave, employees are encouraged to request Vacation leave as far in advance as possible, but generally, not less than one week in advance of the beginning of the Vacation period. If an employee feels their supervisor's denial of Vacation leave is unreasonable, they may ask for a review of the request for Vacation leave by the Chief Executive Officer.
8. Legal Holidays occurring while an employee is on Vacation leave are not deducted from an employee's accrued Vacation leave.
9. Unless required by law, employees do not earn Vacation leave while on an unpaid leave of absence unrelated to an injury or illness, when a period of an employee's own illness or injury exceeds 45 days, or when temporary total disability, due to a work related injury, exceeds 45 days.
10. Vacation hours may not be used for a work related injury or illness covered by workers compensation benefits.

#### F. Sick Leave

UCIP will provide compensated Sick leave to full-time and part-time employees who cannot perform their normal duties as a result of non-work related illness, injury or physicians visits related to non-work related illness or injury. Employees are encouraged to build up Sick leave so that days are available for serious illness. Employees who regularly use up Sick leave will be counseled regarding the difficulties such a practice may create. Sick leave is considered a privilege and employees should use it responsibly. Intentional misuse of Sick leave may be grounds for discipline, up to and including termination.

1. Full-time employees earn Sick leave at a rate of four hours of leave for every full pay period worked, not to exceed 96 hours per calendar year.
2. Part-time employees scheduled to work 1,040 or more hours annually earn Sick leave at one-half the rate and are limited by the calendar year maximum of a full-time employee.



3. Sick leave hours may be carried forward to succeeding years. However, no more than 600 hours may be carried forward to succeeding years. All accumulated Sick leave above 600 hours at the end of the calendar year will be converted to Vacation leave, at the end of the calendar year, at the rate of eight hours earned Sick leave equals four hours Vacation leave.
4. An employee may not be allowed to be paid out all or part of their earned Sick leave, except at termination as described in this section.
5. The Sick leave hours earned by employees who leave UCIP service for any reason other than De-facto Resignation or Involuntary Resignation, as described in this Policy, will be converted to Vacation leave at the rate of eight hours earned Sick leave equals four hours Vacation leave and paid out as Vacation leave at the next regularly scheduled payday.
6. Sick leave may not be converted to Vacation leave for purposes other than at termination or carrying over the maximum Sick leave hours at year end as described in this section.
7. Employees may take Sick leave for personal illness or to care for Sick family members (spouse, child, other dependent or parent).
8. Employees taking Sick leave should provide notice at least one hour prior to beginning of shift in order to minimize disruption to the workplace.
9. Use of Vacation leave for absence from work due to an employee's own illness or injury will only be allowed when the employee has exhausted all earned and accrued Sick leave.
10. After exhausting all accrued Sick and Vacation leave, the employee may be considered to be on an unpaid leave of absence at the discretion of the Chief Executive Officer.
11. Sick leave may be taken in increments no less than one half ( $\frac{1}{2}$ ) hour.
12. Legal Holidays occurring while a full-time employee is ill will not be deducted from an employee's earned or accrued Sick leave.
13. Unless required by law, employees do not earn Sick leave while on an unpaid leave of absence, when a period of an employee's own illness or injury exceeds 45 days, or when temporary total disability, due to a work related injury, exceeds 45 days.
14. After three (3) consecutive days of Sick leave the Chief Executive Officer may require an employee to provide a doctor's certificate with respect to any Sick leave taken. If such certificate is not provided, the employee's absence may be considered absence without leave at the discretion of the Chief Executive Officer.

15. After three (3) consecutive days of Sick leave the Chief Executive Officer may require an employee to provide a doctor's certificate with respect to the employee's ability to return to work, prior to the employee returning to work.
16. Sick leave may not be used for a work related injury or illness with the exception of the first three days of a short term disability if those days are not covered by workers compensation benefits.

**G. Bereavement Leave**

UCIP will grant bereavement leave to employees who suffer the death of a member of the immediate family, or a close relative. It is the intent of UCIP to be considerate of an employee's special needs and to be supportive at the time of the death of a loved one.

Accordingly, UCIP will provide the employee with paid time off from work to attend the funeral and to fulfill other responsibilities before the funeral without charge to the employee's earned or accrued Sick or Vacation leave.

If an employee suffers the death of a close relative, and requests time off from work during the period of bereavement, the Chief Executive Officer may approve the request based on the following:

1. The necessity and appropriateness of the time off. The employee should be attending the funeral and/or have certain responsibilities to fulfill before the funeral.
2. The amount of time off:
  - a. If the deceased was a member of the employee's immediate family (spouse, child or child of a spouse, parent or parent of a spouse, sibling or sibling of a spouse, brother or sister-in-law, grandparents, and grandchild or grandchild of a spouse), the employee may have paid time off up to five (5) days at any time between the death and the day of the funeral.
  - b. For other close relatives (aunt, uncle, niece, or nephew of either the employee or spouse) the employee may have paid time off for the day of the funeral.
3. The pay for bereavement leave will be based on the employee's current rate of pay and the number of hours in the employee's normal work week. Employees may request additional days off and use accrued Vacation or leave without pay, as approved by the Chief Executive Officer.
4. In the event of the death of a member of the immediate family while an employee is on Vacation, Vacation hours will not be charged by the amount of time normally authorized as outlined above.



## H. **Jury Duty**

Every employee will be granted an unpaid leave of absence when subpoenaed or ordered to appear as a juror or witness by the Federal Government, State of Utah, or political subdivision thereof. If the employee turns over the juror or witness fee to UCIP along with a copy of the subpoena, UCIP will pay the employee's regular compensation during the period of jury service. Travel time to or from juror or witness duty is also considered an approved absence, but UCIP will not pay any overtime regardless of the amount of jury service time and jury travel time. UCIP will not pay for jury duty related mileage regardless of whether the subpoena requires travel during work hours.

## I. **Education Assistance**

UCIP employees are encouraged to seek further education to perform their jobs more effectively and to enhance their professional development. UCIP may subsidize the education expenses of employees under specified circumstances. Education assistance is subject to availability of funds in the budget year education assistance is requested, and applies only to full-time employees.

1. **Program Eligibility.** The education program must provide a benefit to UCIP by directly relating to the work the employee currently performs or will be required to perform. Eligibility of the education program will be determined by, and must be approved by, the Chief Executive Officer.
2. **Reimbursement.** Education assistance shall not exceed \$500 in any one year. Tuition costs shall not be carried into the next budget year for reimbursement.
3. **Procedures.**
  - a. Employees are encouraged to attend classes and study during non-working hours. In the alternative, the Chief Executive Officer may flex an employee's work schedule to allow the employee to attend classes and study for exams.
  - b. To receive education assistance, an employee must receive approval from the Chief Executive Officer prior to commencement of the class. Employees are encouraged to discuss education assistance well in advance of the commencement of classes, to allow the expense to be appropriately budgeted.
  - c. To be reimbursed, the employee must complete the approved class with a final grade of "C" or better. If the course is only offered on a pass/fail basis, the employee must receive a passing grade.
  - d. The employee must submit proof of a satisfactory grade and proof of tuition payment to the Chief Executive Officer prior to reimbursement.
4. **Required Classes.** If UCIP requires an employee to attend an education program or class, UCIP shall pay the full cost of the program or class.

## SECTION IV - STANDARDS OF CONDUCT

UCIP expects its employees to conduct themselves diligently, professionally and honorably in their assignments on behalf of the public. Employees should:

1. Work diligently on their assigned duties during their assigned work schedules.
2. Make prudent use of UCIP funds, equipment, buildings, supplies, and time.
3. Work courteously with coworkers and the public.
4. Observe work place rules of conduct and safety.
5. Meet the standards of their individual job descriptions.
6. Report and correct circumstances that prevent employees from performing their jobs effectively or completing their assigned tasks.

### A. **Employee Discipline**

Employees who violate UCIP policies and procedures are subject to discipline. Discipline may include, but is not limited to, verbal warning, reprimand, probation, reassignment, transfer, suspension, reduced pay, demotion, termination or any other action deemed appropriate by the Chief Executive Officer. Grounds for discipline may include, but are not limited to:

1. Inefficiency;
2. Incompetence;
3. Failure to maintain skills;
4. Inadequate performance levels;
5. Neglect of duty;
6. Misconduct;
7. Inability to work in harmony with coworkers and member representatives;
8. Rudeness to a member representative or the public;
9. Disobedience of a reasonable order of a supervisor;
10. Dishonesty;
11. Insubordination;
12. Misappropriation or damage to Pool funds or property;

13. Misuse of UCIP funds or property;
14. Tardiness;
15. Unapproved absences;
16. Any act inimical to public service; and/or
17. Felony convictions and other violations of State and Federal law.

This list is not exhaustive and is set forth as a guideline. This list should **not** be construed as preventing or limiting UCIP from taking disciplinary action, including termination, in circumstances where UCIP deems such action to be appropriate, regardless of whether UCIP has specifically identified a written rule or policy. Similarly, employees may be disciplined for violations of UCIP policy found in other Sections of this Policy, violations of State or Federal law, or violations of relevant policies, rules or laws promulgated elsewhere.

## **B. Drug Free Workplace**

The purpose of this Policy is to implement the Federal Drug Free Workplace Act of 1988, providing for a safe and productive work environment that is free from impaired performance caused by employee use or abuse of controlled substances, medication, and/or alcohol. This Policy establishes procedures for controlling drug or alcohol use or abuse in the workplace and applies to all employees.

1. Responsibility of Employees
  - a. No employee shall unlawfully manufacture, dispense, possess, use, or distribute any controlled substance, medication, or alcohol.
  - b. Any employee convicted under a State or Federal law regulating controlled substances shall notify his or her supervisor within five (5) days after the conviction.
  - c. No employee shall consume alcohol immediately before work, during work hours while at work, during breaks, or during lunch. No employee shall be impaired by alcohol, illegal drugs, or medication during work hours. No employee shall represent UCIP in an official capacity while impaired by alcohol, illegal drugs, or medication.
  - d. If an employee is using medication that may impair performance of duties, the employee shall report that fact to his or her supervisor.
    - (i) No employee using medication that may impair performance shall operate a motor vehicle on behalf of UCIP.



2. Reasonable Suspicion Testing

- a. Any employee who has reason to believe that the performance of another employee is impaired by alcohol, illegal drugs, or medication shall notify the impaired employee's supervisor. If at any time a supervisor concludes that there is reasonable suspicion that an employee is impaired by alcohol, illegal drugs or medication, the supervisor shall require the employee suspected of being under the influence of alcohol and/or drugs to submit to a chemical test of their bodily fluids. Refusal to submit to a test shall be deemed a violation of this Policy subject to disciplinary action, up to and including termination.

The cost of the test shall be paid by UCIP.

3. Corrective Action

- a. The Chief Executive Officer or the supervisor of an employee, whose performance is impaired by alcohol, illegal drugs, or medication, shall take corrective action, which may include discipline.
- b. Upon taking corrective action, the Chief Executive Officer shall prepare a written report stating the reasons for the action.
- c. An employee impaired by illegal drugs or alcohol during work hours shall be relieved from duty and shall be charged earned or accrued Vacation leave for the absence.
- d. An employee impaired by medication during work hours may be relieved from duty and shall be charged earned or accrued Sick leave for the absence.
- e. The Chief Executive Officer may change an employee's assignment while the employee is using medication, if the employee is impaired by the medication.

C. **Discrimination/Harassment Based on Protected Status**

UCIP believes that a workplace free from hostile, intimidating, or offensive behavior is the most productive workplace. Employees should use courtesy and professionalism when interacting with coworkers, member representatives and others they come in contact with as part of their UCIP duties. Employees who discriminate or harass others based upon their race, color, religion, gender, national origin, age, disability or other protected status create liability for UCIP and are subject to discipline, up to and including termination. All employees should work together in a professional manner with courteous, mutual respect.



Discrimination or Harassment based on race, color, religion, gender, national origin, age, disability or other protected status encompasses a wide range of behaviors, including racially based derogatory comments, taunting, or treatment. Examples of protected status harassment may include, but are not limited to, the following:

1. Slurs or put-downs based on race, color, religion, gender, national origin, age or disability.
2. Materials such as cartoons or e-mails making fun based on race, color, religion, gender, national origin, age or disability.

Liability related to gender based discrimination often referred to as sexual harassment is a significant concern for UCIP. Sexual harassment has been defined by the courts as “unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature and constitute sexual harassment when: 1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment; 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, or offensive working environment”.

All employees are responsible for ensuring that the workplace is free from all forms of sexual harassment. Sexual harassment encompasses a wide range of behaviors, including sexual attention, sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature. Examples of sexual harassment may include, but are not limited to the following:

- a. Implying or threatening adverse employment action if sexual favors are not granted;
- b. Promising preferential treatment in return for sexual favors;
- c. Subtle pressure for sexual activity;
- d. Inappropriate touching of any individual, including but not limited to petting, pinching, hugging, or repeated brushing against another individual’s body;
- e. Offensive remarks, including unwelcome comments about appearance, obscene jokes, or other inappropriate use of sexually explicit or offensive language;
- f. The display of sexually suggestive objects or pictures;
- g. Disparaging remarks about a person’s gender;
- h. Spreading stories about a person’s sexual conduct;

- i. Asking questions about a person's sexual activity;
- j. Physical aggression such as pinching or patting;
- k. Verbal sexual abuse disguised as humor;
- l. Obscene gestures;
- m. Horseplay or bantering of a sexual or off-color nature;
- n. Other actions of a sexual nature that affect the terms and conditions of a person's employment; and
- o. Conduct or comments consistently targeted at only one gender, even if the content is not sexual.

As with other forms of discrimination and harassment, UCIP considers prompt reporting of sexual harassment to be a condition of employment. If an employee believes they have experienced or witnessed sexual harassment, they must immediately report their concern in the same manner as reporting any other form of discrimination or harassment.

UCIP considers prompt reporting of discrimination or harassment to be a condition of employment. If an employee believes they have experienced or witnessed discrimination or harassment based on race, color, religion, national origin, age, disability or other protected status, they must immediately report their concern to the Chief Executive Officer. If the Chief Executive Officer is the subject of a report of discrimination or harassment, the employee may report to the Chief Financial Officer, who shall immediately forward the report to the Board Director serving as the Chair of the UCIP Personnel Committee.

UCIP will investigate allegations of protected status discrimination or harassment and will take appropriate action against any person found to have violated this Policy. Individuals who engage in protected status discrimination or harassment are subject to discipline, up to and including termination.

UCIP will not retaliate against any person who reports discrimination or harassment. Employees who retaliate against any person who reports discrimination or harassment shall be subject to discipline, up to and including termination.

If the investigation of a report of discrimination or harassment finds the report to be false and made maliciously, the person making such claim may be subject to discipline, up to and including termination.

#### **D. Computer and E-Mail Usage**

UCIP recognizes that excessive personal use of UCIP owned computers during work hours can affect productivity and may be perceived as an inappropriate use of public funds. UCIP reserves the right to monitor computer usage, files stored on UCIP computers and Internet usage.

For purposes of this Policy, “files” means all documents, programs, e-mail, and Internet locations that are created, accessed, stored, or temporarily located on a UCIP computer.

1. **Personal Use.** Employees may use assigned computers for limited personal purposes. This approval is similar to the occasional personal use of telephones during breaks. Excessive use of the computer for personal reasons is not allowed.
2. **Inappropriate Usage.** Employees are not allowed to use a computer for self-employment, or outside employment purposes. Entering or maintaining information on a UCIP computer that is in violation of UCIP’s policies and procedures, or that violates State or Federal law, is prohibited.
3. **Privacy.** All files created, accessed, or stored on a UCIP computer are considered UCIP property. Employees shall be advised that there is no right to privacy when using a UCIP computer. All usernames, passwords, personal identification numbers or any other security codes or devices restricting access to UCIP computer equipment or software programs must be provided to the Chief Financial Officer, when created or changed, to allow access by UCIP. As a public agency, all data and files created, accessed, or stored on a UCIP computer may be subject to governmental records access laws, and may become public in compliance with such laws. All employees are required to comply with the UCIP Governmental Records Access and Management Act Policy at all times.
4. **Licenses.** Employees shall use computer software only in accordance with the license agreement. Copying software licensed to, or developed by UCIP for personal computer use or any other purpose is prohibited. Bringing software from personal computers to run on UCIP computers is also prohibited. Downloading of software onto UCIP computers is prohibited unless prior authorization has been provided by the Chief Executive Officer.
5. **Equipment.** Only employees authorized by the Chief Executive Officer may purchase, move, alter, or repair computer equipment and wiring.
6. **Email.** Employees may use UCIP’s email functions as limited above in Personal Use and Inappropriate Usage. All email received or sent using the UCIP email system are considered UCIP property, and may be accessed, reviewed, copied or disseminated by UCIP as the Chief Executive Officer or Board of Directors deems necessary or prudent. As all email received or sent using the UCIP email system are considered documents in the possession of UCIP, they may be considered public documents subject to the Governmental Records Access Management Act.
7. **Internet Access.** Internet usage falls within the above Personal Use and Inappropriate Usage constraints.



8. **Disciplinary Action.** Employees using Pool computers, software or systems in an unauthorized or inappropriate manner may be subject to discipline up to and including termination.

E. **Seat Belt Use**

Employees must use seatbelts while in vehicles performing UCIP business which includes travel eligible for reimbursement by UCIP.

F. **Cell Phone Use**

Cell phones should not be used while in vehicles performing UCIP business, which includes travel eligible for reimbursement by UCIP when it is a distraction to driving. Whenever possible, the employee should use hands free phone equipment or pull over when safe to continue or return the phone call.

G. **Acceptance of Gifts, Compensation or Loans**

As public agency employees, UCIP employees are required to comply with the Utah Public Officers' and Employees' Ethics Act, Utah Code §67-16-5 as amended. Employees must notify the Chief Executive Officer of all gifts prior to acceptance by individual employees. Gifts offered to the staff as a group must be approved by the Chief Executive Officer prior to acceptance. Failure to comply with this Policy may result in discipline up to and including termination.

## SECTION V – GRIEVANCE AND APPEAL PROCESS

### A. **Grievance Resolution Philosophy**

UCIP encourages its employees to work to resolve disputes amicably and informally. When a dispute arises regarding an adverse employment action including suspension, transfer, demotion, or dismissal, employees must seek redress through this grievance and appeal process. This grievance and appeal process is intended to provide an administrative remedy to resolve employee grievances free from discrimination, coercion, restraint, or reprisal. In order to accomplish this goal:

1. Employees with questions regarding how the dispute resolution process works may seek counseling from the Chief Executive Officer regarding procedure; however, the Chief Executive Officer cannot comment or provide advice on the substantive issues in dispute;
2. An employee may consult with an attorney or other representative to assist them in the grievance and appeal process at their own cost. UCIP will have no obligation to pay or reimburse any portion of the costs of such representation regardless of the outcome of process.
3. Employees who are dissatisfied with the outcome of any step must proceed to the next step in the process to preserve their right to a grievance;
4. Time limitations shall be strictly adhered to unless the parties agree to extensions in advance;
5. Hearings shall not be bound by legal procedures or legal rules of evidence, and shall be presided over by, and conducted in a manner determined by the Chair of the body holding the hearing;
6. Failure to utilize this Grievance and Appeal Process in accordance with this Section shall be considered a failure of the employee to make use of administrative remedies regarding their right to grieve the adverse employment action; and
7. UCIP prohibits retaliation against employees who utilize the dispute resolution process. If at any time the employee feels they have been retaliated against whether by discrimination, coercion, restraint, or reprisal, the employee should immediately file a written grievance with the Chief Executive Officer or directly with the UCIP Board of Directors Personnel Committee if the retaliation is based on actions of the Chief Executive Officer.

### B. **Step One – Informal Dispute Resolution**

Before filing a formal grievance, employees should attempt to resolve disputes by dealing directly with their direct supervisor. If requested, the supervisor shall review the adverse employment action with the employee to attempt to resolve the dispute in a manner acceptable to both parties while protecting the integrity of UCIP's disciplinary policies and obligations.

### C. **Step Two - Formal Grievance**

If the employee and supervisor are unable to arrive at an acceptable resolution, the employee must initiate the formal grievance process.

1. Within 30 calendar days of the adverse employment action or within 30 calendar days of the time the employee reasonably should have known of the adverse employment action, the employee must file a written grievance with the Chief Executive Officer.
2. The written grievance must identify:
  - a. the employee;
  - b. the adverse employment action being grieved;
  - c. the supervisor initiating the adverse employment action;
  - d. the basis for the employee's disagreement with the action; and
  - e. a proposed resolution to the dispute.
3. Within 10 working days of receipt of a proper written grievance, the Chief Executive Officer shall respond to the employee and supervisor involved with a written determination on the merit of the grievance and actions to be taken to resolve the grievance, if any, including but not limited to:
  - a. upholding the adverse employment action;
  - b. amending the adverse employment action; or
  - c. dismissing the adverse employment action and returning the employee to their original status.
4. If the Chief Executive Officer fails to respond within ten working days, such failure shall be deemed to be a finding by the Chief Executive Officer that the employee's grievance has no merit. Failure of the Chief Executive Officer to respond shall not be considered a waiver or estoppel of UCIP's rights in enforcement of an adverse employment action or the enforcement of the administrative remedies of this Section.

### D. **Step Three – Appeal to the Board of Directors Personnel Committee**

If the employee is unsatisfied with the determination of the Chief Executive Officer, the employee must appeal the determination to the UCIP Board of Directors' Personnel Committee (Committee) to preserve their grievance rights.

1. To make a valid appeal to the Committee, the employee must file a written appeal with the UCIP Chief Financial Officer within 10 working days from the receipt of the Chief Executive Officer's response, or the date the Chief Executive Officer should have responded.



2. A written appeal shall include:
  - a. a copy of the original written grievance filed with the Chief Executive Officer; and
  - b. a copy of the Chief Executive Officer's written determination of the grievance being appealed, or a statement that the grievance was deemed to have no merit as the Chief Executive Officer failed to respond with a written determination within the required timeline.
3. The Committee may, within 15 calendar days of receipt of the employee's appeal, request additional written information from the parties involved.
4. The parties shall provide such additional written information within 15 calendar days of such request.
5. Within 15 calendar days of receipt of the appeal, or if additional information is requested, within 15 calendar days of receipt of the last additional information, the Committee shall:
  - a. issue a written decision on the appeal; or
  - b. hold an informal hearing attended by the parties either in person or via conference call.
6. The decision to hold a hearing is at the sole discretion of the Committee, and no party to the appeal may compel the Committee to hold a hearing.
7. If the Committee elects to hold a hearing, the Committee will issue a written decision to the parties within 15 working days from the hearing date.
8. While the employee may choose to have an attorney or other representative attend a hearing with them for consultation, the Committee may require the employee to present their appeal, including but not limited to presenting any evidence, testimony or answering questions directly, and may limit or restrict the employee's representative from presenting the appeal, including but not limited to presenting evidence, testimony or answering on behalf of the employee.

**E. Step Four - Appeal to the UCIP Board of Directors**

If the employee is unsatisfied with the decision of the Committee, the employee must appeal the decision to the UCIP Board of Directors (Board) to preserve their grievance rights.

1. To make a valid appeal to the Board, the employee must file a written appeal with the UCIP Chief Financial Officer within 10 working days from the receipt of the Committee's decision.

2. A written appeal shall include a copy of the Committee's written decision of the grievance being appealed.
3. The Board may, within 15 calendar days of receipt of the employee's appeal, request additional written information from the parties involved.
4. The parties shall provide such additional written information within 15 days of such request.
5. Within 30 calendar days of receipt of the appeal, or if additional information is requested, within 30 days of receipt of the last additional information, the Board shall:
  - a. issue a written decision on the appeal;
  - b. request a review of the matter by the UCIP Litigation Management Committee or the Board's General Counsel; or
  - c. hold an informal hearing attended by the parties either in person or via conference call.
6. The decision to request a review of the matter by the UCIP Litigation Management Committee or hold a hearing is at the sole discretion of the Board, and no party to the appeal may compel the Board to request a review of the matter by the UCIP Litigation Management Committee or hold a hearing.
7. If the Board requests review by the UCIP Litigation Management Committee or the Board's General Counsel, the Board shall:
  - a. issue a written decision to the parties within 45 days from receipt of the appeal, or if additional information is requested, within 45 days of receipt of the last additional information; or
  - b. hold an informal hearing attended by the parties either in person or via conference call.
8. If the Board elects to hold a hearing, the Board shall:
  - a. issue a written decision to the parties within 15 working days from the hearing date; or
  - b. request a review of the matter by the UCIP Litigation Management Committee or the Board's General Counsel. If the Board requests such review, the Board shall issue a written decision to the parties within 30 days from the hearing date.
9. While the employee may choose to have an attorney or other representative attend a hearing with them for consultation, the Board may require the employee to present their appeal, including but not limited to presenting any evidence, testimony or answering questions directly, and may limit or

restrict the employee's representative from presenting the appeal, including but not limited to presenting evidence, testimony or answering on behalf of the employee.

A written decision of the Board shall be a binding and final determination of the Utah Counties Indemnity Pool.

## APPENDIX I

### RECEIPT OF PERSONNEL POLICY

I, the undersigned employee, have received a copy of the Utah Counties Indemnity Pool (UCIP) Personnel Policy (Policy) and have had an opportunity to review its contents with management and ask questions relating thereto.

I understand this Policy is provided to me to assist in understanding the rights, privileges, obligations and responsibilities of employment with UCIP and I agree that nothing in this Policy, or any omission to this Policy, is meant as creating a contractual relationship between UCIP and myself.

I understand these policies and procedures as well as the benefits provided by UCIP to its employees may be amended from time to time by action of the UCIP Board of Directors, and that the Board of Directors reserves the right to amend, alter, or revoke any policy, practice, benefit, or employment condition, at any time, or for any reason, with or without notice.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

## **UTAH COUNTIES INDEMNITY POOL ELECTRONIC MEETING POLICY**

### **SECTION I.     Effective Date and Frequency of Review.**

- A.     The UCIP Board of Directors originally adopted Resolution 2010-1 on August 19, 2010 governing the use of electronic meetings for the UCIP Board. This policy sets into policy the intent of that resolution.
- B.     This policy should be reviewed annually, but not less than every three years by the Board of Directors. This policy will also be reviewed any time that changes to laws governing electronic meetings of political subdivisions are amended in a manner which would require review and update to this policy.

### **SECTION II.    Purpose.**

- A.     The purpose of this policy is to assure all electronic meetings conducted by UCIP are conducted in compliance with Utah Code Ann. §52-4-101 et. seq., 1953 as amended.
- B.     The purpose for holding Electronic Meetings is primarily to enable members of the Board of Directors to participate in the meeting electronically.
- C.     Provision may be made for a member of the public to monitor an open meeting of the Board through electronic means provided that:
  - 1.     The member of the public so requests in writing at least three days prior to the meeting; and
  - 2.     UCIP will not be required to acquire any equipment, facilities or expertise which UCIP does not already possess in order to accommodate the request.

### **SECTION III.   Authority.**

- A.     The Board of Directors has authority to adopt this policy under the UCIP Interlocal Agreement, and under Utah Code Ann. §52-4-101 et. seq., 1953 as amended.

### **SECTION IV.    Applicability and Scope.**

- A.     This Policy applies to all electronic meetings conducted by UCIP which are governed by the Utah Open and Public Meetings Act, Utah Code Ann. §52-4-101 et. seq., 1953 as amended.
- B.     Notwithstanding anything to the contrary in this Policy, with the exception of a Public Hearing, the general public and other interested persons need not be provided an opportunity to participate in, as opposed to attend and monitor, an Electronic Meeting.

### **SECTION V.     Definitions.**



- A. "Anchor Location" means the physical location from which the electronic meeting originates or from which the participants are connected.
- B. "Board" means the Board of Directors of the Utah Counties Indemnity Pool.
- C. "Electronic Meeting" means a Public Meeting convened or conducted by means of a conference using electronic communications.
- D. "Meeting" means the convening of the UCIP Board of Directors, with a quorum present, including a workshop or an executive session, whether in person or by means of electronic communications, for the purpose of discussing, receiving comments from the public about, or acting upon a matter over which the UCIP Board of Directors has jurisdiction or advisory power.
- E. "Meeting" does not mean a chance gathering or social gathering.
- F. "Meeting" does not mean a convening of the Board if;
  - 1. No public funds are appropriated for expenditure during the time the Board is convened; and
  - 2. The Board is convened solely for the discussion or implementation of administrative or operational matters for which no formal action by the Board is required or that would not come before the public body for discussion or action.
- G. "Monitor" means to hear or observe, live, by audio or video equipment, all of the public statements of each member of the public body who is participating in a Meeting.
- H. "Participate" means the ability to communicate with all of the members of the Board attending a Meeting, either verbally or electronically, so that each member of the Board in attendance can hear or observe the communication.
- I. "Quorum" means a simple majority of the membership of the Board, unless otherwise defined by the UCIP Bylaws.
- J. "Quorum" does not mean a meeting of two Board members by themselves when no action, either formal or informal, is taken on a subject over which these elected officials have advisory power.

## **SECTION VI. Policy Statements.**

- A. An Anchor Location must be established for all Electronic Meetings.
- B. A quorum of the Board need not be present at an Anchor Location for an Electronic Meeting to be held.

- C. A Board member who is not physically present may participate in the meeting through electronic means and be counted toward the required quorum, and may make, second and vote on all motions and participate in the discussions as though present.
- D. As few as one Board member may be present at the Anchor Location for an electronic meeting to be held provided that the Board member who chairs the meeting is physically present at the Anchor Location. If neither the Chair nor the Vice Chair is physically present at the Anchor Location, but there is still a quorum, a Board member who is physically present at the Anchor Location will preside over the meeting.
- E. Space and facilities must be provided at the Anchor Location so that all interested persons may attend and monitor the open portions of the meeting.
- F. If the meeting is a Public Hearing, space and facilities must be provided at the Anchor Location so that interested persons and the public may attend, monitor and participate in the hearing.
- G. A request from a member of the public to monitor a meeting electronically that is not being held as an Electronic Meeting may be denied by the Chair, or Vice Chair in the Chair's absence, based on budget, public policy or logistical considerations deemed sufficient by the Chair or Vice Chair.

#### **SECTION VII. Procedures and Responsibilities.**

- A. The UCIP Chief Executive Officer shall assure that not less than 24 hours' advance public notice, including the agenda, date, time, location, and a description of how the Board members will be connected to the Electronic Meeting, will be given for each Electronic Meeting of the Board by:
  - 1. Posting a written notice at the principal office of UCIP; and
  - 2. Posting written notice at the Anchor Location; and
  - 3. Providing notice to all Board members; and
  - 4. Providing written or electronic notice to at least one newspaper of general circulation and to a local media correspondent; and
  - 5. Posting notice of the Electronic Meeting on the Utah Public Notice Website created under Utah Code Ann. §63F-1-701 et. seq., 1953 as amended; and
  - 6. Providing any other additional notice or posting as directed by the Chair or the Board.

#### **SECTION V. Revision History.**

A. Resolution Adopted: August 19, 2010

B. Policy Original Adoption: December 21, 2017

B.C. Reviewed: December 20, 2018

**SECTION VI. Appendices.**

A. Utah Open and Public Meetings Act

**MEMORANDUM**

**TO: UCIP Board of Directors**  
**FROM: Johnnie Miller**  
**DATE: 12/11/18**  
**RE: Fraud Reporting Program**

The Utah State Auditor's Office has recently made strong recommendations that Counties implement "Fraud Tip Lines" for employees and the public to report suspected fraud, misuse and abuse of public funds as well as other potential ethical violations of public officers and employees.

The Clerk/Auditor's Association asked UCIP to present on Fraud Tip Lines at the recent UAC Conference. I was contacted by the State Auditor's Office while preparing that presentation, as they were interested in coordinating with me on the discussion at the conference. I shared my presentation with the State Auditor's Office in advance of the conference and they also attended my presentation. I reviewed some concerns with the Clerk/Auditors Affiliate, from a liability standpoint, with setting up a fraud reporting process. In response, the group unanimously voted to ask UCIP and/or UAC to set up a statewide Fraud Reporting Program for all counties to utilize.

To the extent a Fraud Reporting Program would uncover instances of financial fraud, it can be viewed as a loss control measure as UCIP provides employee fidelity as part of its Crime coverage. Considering losses in this area have been limited, infrequent and showed no evidence that a fraud hotline would have uncovered the fraud, the return on investment for such a program would legitimize a few thousand dollars annually.

If a Fraud Reporting Program included the broad range of "fraud" similar to the State Fraud Tip-Line, it is likely many complaints of ethics violations would be received. For that reason, a Fraud Reporting Program could be coordinated with a statewide county Local Ethics Committee which would receive those complaints and process them according to the statutory procedures. If UCIP/UAC decides to take responsibility for administering such a committee, it could tie into the Officials Bond issue which the Board is considering.

I have discussed this issue with Adam, and he is interested in being involved, but is not certain to what extent UAC would be involved.

JRM/jrm





**ANNUAL NOTICE OF REGULAR MEETING SCHEDULE OF THE BOARD OF  
DIRECTORS OF THE UTAH COUNTIES INDEMNITY POOL**

**PUBLIC NOTICE** is hereby given that the 2019 Annual Meeting schedule of the Board of Directors of the Utah Counties Indemnity Pool is as follows:

Regular meetings of the Board of Directors of the Utah Counties Indemnity Pool will be held on the dates, at the times and at the location of 5397 S Vine Street, Murray, Utah unless otherwise changed by action of a quorum of the Board of Directors of the Utah Counties Indemnity Pool.

**TENTATIVE REGULAR MEETING DATES FOR 2019**

February 21, 12:30 p.m.  
April 18, 12:30 p.m.  
June 20, 12:30 p.m.  
August 15, 12:30 p.m.  
October 17, 12:30 p.m.  
December 19, 12:30 p.m.

A regular meeting may be canceled without notice by action of a quorum of the Board of Directors. When, because of unforeseen circumstances, it is necessary for the Board of Directors to hold an emergency meeting to consider matters of an emergency or urgent nature, the best notice practicable shall be given. No such emergency meeting of the Board of Directors shall be held unless an attempt has been made to notify all of the members of the Board of Directors and there is a majority vote in the affirmative to hold the meeting.

All regular meetings of the Board of Directors shall be open to the public unless closed by the Board of Directors in the manner described in §52-4-2, Utah Code Annotated, 1953 as amended, and, for a purpose described in §52-4-2, Utah Code Annotated, 1953 as amended.

ADOPTED AND APPROVED THIS 20 DAY OF December, 2019.

BOARD OF DIRECTORS,  
UTAH COUNTIES INDEMNITY POOL

\_\_\_\_\_  
Bruce Adams, President



4770 S. 5600 W.  
WEST VALLEY CITY, UTAH 84118  
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UTAH COUNTIES INDEMNITY POOL,

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SALT LAKE CITY UT 84107

ACCOUNT NUMBER

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DATE

1/11/2019

ACCOUNT NAME

UTAH COUNTIES INDEMNITY POOL,

TELEPHONE

8015658500

ORDER # / INVOICE NUMBER

0001239775 /

PUBLICATION SCHEDULE

START 01/11/2019 END 01/11/2019

CUSTOMER REFERENCE NUMBER

Public Notice - Regular Meetings 2019

CAPTION

ANNUAL NOTICE OF REGULAR MEETING SCHEDULE OF THE BOARD OF DIRECTORS

SIZE

46 LINES

2 COLUMN(S)

TIMES

2

TOTAL COST

120.00

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ADOPTED AND APPROVED THIS 20 DAY OF December, 2019.

BOARD OF DIRECTORS,  
UTAH COUNTIES INDEMNITY POOL  
Bruce Adams, President

1239775

UPAXLP

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY COMPANY, LLC dba UTAH MEDIA GROUP LEGAL BOOKER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF **ANNUAL NOTICE OF REGULAR MEETING SCHEDULE OF THE BOARD OF DIRECTORS OF THE UTAH COUNTIES INDEMNITY POOL** PUBLIC NOTICE is hereby given that the 2019 Annual Meet FOR **UTAH COUNTIES INDEMNITY POOL**, WAS PUBLISHED BY THE NEWSPAPER AGENCY COMPANY, LLC dba UTAH MEDIA GROUP, AGENT FOR DESERET NEWS AND THE SALT LAKE TRIBUNE, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH. NOTICE IS ALSO POSTED ON UTAHLEGALS.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAHLEGALS.COM INDEFINITELY. COMPLIES WITH UTAH DIGITAL SIGNATURE ACT UTAH CODE 46-2-101; 46-3-104.

PUBLISHED ON Start 01/11/2019 End 01/11/2019

DATE 1/11/2019

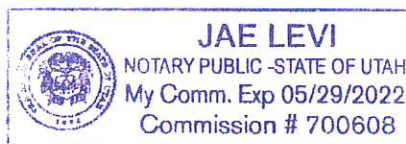
SIGNATURE

STATE OF UTAH )

COUNTY OF SALT LAKE )

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 11TH DAY OF JANUARY IN THE YEAR 2018

BY LORAIN GUDMUNDSON.



Jae Levi  
NOTARY PUBLIC SIGNATURE

RECEIVED  
JAN 18 2019  
BY: \_\_\_\_\_